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# WHAT IS THE CHRISTIAN VIEW OF WORK AND WEALTH?

Christ in America. Commission on the church and social service

SOCIAL PROBLEM DISCUSSION SERIES

# WHAT IS THE CHRISTIAN VIEW OF WORK AND WEALTH?

24/14

Prepared by a Committee Representing

THE COMMISSION ON THE CHURCH AND SOCIAL SERVICE OF THE FEDERAL COUNCIL OF CHURCHES

THE CANADIAN BROTHERHOOD FEDERATION

THE INTERNATIONAL COMMITTEE OF YOUNG MEN'S CHRISTIAN ASSOCIATIONS

THE NATIONAL BOARD OF YOUNG WOMEN'S CHRISTIAN ASSOCIATIONS

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# FOREWORD

The title of this outline was designedly phrased in question form: "What Is the Christian View of Work and Wealth?" The purpose of the outline is to raise frankly the questions at issue in the Christian solution of the present perplexing problems of work and wealth and to give such reference quotations as will set forth the more important opinions held on these subjects and furnish the basis for the formation of an intelligent opinion.

The outline is in no sense propaganda material. No particular theory or policy is set forth, and no one solution advocated. We have been living through a period of unlimited propaganda, good and bad. Different groups have attempted to determine the attitudes and action of the public on various important problems, until the individual is at loss to know where to find the truth or how to act. This outline assumes that individuals and groups have a right to do their own thinking and to come to their own conclusions; and that what is needed at present is such material as will give the basis for intelligent thinking, discussion, and action.

To this end, each chapter contains, first, a series of questions. These constitute the lesson proper, and form the basis for individual thinking and group discussion. They are intended to make clear the issues of the problem considered in the chapter. Individuals or groups, working through these questions, will see more clearly and vividly the real issues.

These questions are followed by quotations, giving "Current Opinions on the Questions at Issue." These quotations are classified under the major issues of the problem of each chapter, and have been selected with a view to representing every considerable body of opinion on each important question. The reader will discover at once that some of the quotations are mutually quite contradictory. The course is not designed to impart views, but rather to raise questions and to supply data upon which individuals or groups can form opinions.

Some persons may ask: Has the ordinary layman a right to form opinions on questions so difficult and technical as those raised in this outline? Must we not leave the handling of such questions to the experts? A sufficient answer is the fact that we *are* form-

ing opinions on these questions and are under the necessity of acting on them. Further, one should note carefully the difference between a *moral* and a *technical* judgment. This course makes no effort to deal extensively with the technical questions of economic and industrial adjustment which the embodiment of a Christian viewpoint may make necessary. It does imply, however, that non-expert individuals and groups have a right to a moral judgment on what is promotive of human welfare, and on what is consistent with the Christian view of life; and then that they have a right to insist that the technical experts shall not attempt to avoid the issues by the easy excuse, "It won't work," but shall use their technical skill to embody in industrial and economic life those Christian principles which the people may come to feel are essential.

Brief Scripture selections and a few short prayers are appended to the course. They are intended for devotional purposes solely, and no attempt has been made to suit the readings closely to the themes of the particular lessons. They are rather designed to prepare the mind for a reverent and sympathetic approach to the subject. Any selection may be used with any lesson, or discarded in favor of a passage chosen by the leader himself, or an extempore prayer.

The course has been prepared by a committee formed at the instance of the Commission on the Church and Social Service, and representing informally the bodies noted on the title page. The members of this committee are:

| | |
|---|---|
| Samuel Z. Batten, | F. Ernest Johnson, |
| Ethel M. Cutler, | Ernest Thomas, |
| Harrison S. Elliott, | Benjamin S. Winchester. |

## A Word to the Leader

The questions at the opening of each chapter are such as could be successfully used in the discussions of a small group, a larger class, or a general forum. These questions are arranged, in the main, in the order which would make the discussion most rewarding—namely, first, questions which open up the problem in terms of experience; second, questions which give opportunity for considering various views concerning the solution and for coming to a group judgment as to the best way out; and third, questions which deal with action—the carrying out of the solution in the life of today.

There are probably more questions than can be used in any single discussion. Further, no leader of such a discussion would get the best results by following the questions mechanically. He may need to choose, revise, eliminate, add others of his own, and come to the discussion with clear-cut questions which will form the basis of consideration by the group.

The leader of the discussion should be a chairman. He should not attempt to put over any particular point of view, but to see to it that there is fair discussion. To this end, he probably will not wish to take part himself. He will have all he can do if he carries out his duties as chairman, stating the questions, seeing that all sides are represented in the discussion, and summarizing the conclusions. He may find a blackboard of help if he is handling a large group. There is no reason why the chairman should not supply information or give his personal opinion when called upon.

The leader must be sure that provision is made for introducing into the discussion the necessary material from the quotations given under "Current Opinions on the Questions at Issue," in order that the discussion may have the necessary informational basis. To this end, a copy of the outline should be in the hands of as many of the group as possible. Sometimes he will depend upon the general study and reading of the outline, secured through his careful advance assignment of the topic for the week. Again, he will make special assignment of certain topics to particular individuals, and will ask them to be ready to furnish the material at the time it is needed. Still again, he will ask certain individuals each to study a different aspect of the week's problem as found in the quotations. These different points of view will be presented at the opening of the hour, and will be followed by general discussion.

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## CHAPTER I

# WHAT CAN A FAMILY DO ABOUT THE HIGH COST OF LIVING?

1. How does the present cost of living for a family compare with the cost during the period immediately before the Great War?

2. What are the reasons for the high cost of living?

3. Some say that the family's increased difficulty in making both ends meet is due more to luxury than to the high cost of living. What do you think? Has there really been a decided increase in luxurious living?

4. What things considered necessities today were formerly called luxuries? Are they luxuries or necessities?

5. What things considered essential for one group are thought unnecessary for another group? Why?

6. How would you determine what is a luxury? For instance might an automobile, golf, opera, magazines, or a victrola be a necessity in one family and a luxury in another?

7. What is a fair proportion of luxuries to necessities? Would this be the same for all families?

8. If a family never has had a chance to learn how to create its own recreation, would you or would you not justify extra money for commercial amusements as a part of a fair living standard?

9. How much in the way of money for education and recreation has a family a right to demand?

10. What makes the difference now in the standards of living between different families? By what standard would you determine what is fair for a family?

11. Can a Christian ask for himself anything in the way of living standard, which is not available for others? Why do you hold this opinion?

## CURRENT OPINIONS ON THE QUESTIONS AT ISSUE

### I. *What Is the Reason for the High Cost of Living?*

#### Opinion of U. S. Department of Labor

1. By far the most important cause of increased prices is the enormous additions to the circulating medium, money and its substitutes, during the past four years;

2. Decrease in the actual physical quantities of goods produced and exchanged;

3. Manufacture for and purchase by the governments of the world for war and other purposes; and

4. Changes in the demands for and the supply of goods and services. —*Monthly Labor Review*, Feb., 1920, p. 95. (U. S. Department of Labor, Bureau of Labor Statistics.)

#### The Opinion of a Manufacturers' Journal

The present high cost of living is due in great part to the payment of excessive wages, and the worker is the chief sufferer. It is a question whether a cure can be brought about without depression and panic, but economic laws are immutable and conditions will restore themselves to normal even at the expense of national depression and national suffering. These things can be avoided by the exercise of common sense, but where there is arrogance and greed there is no common sense.—*Industry*, Oct. 15, 1919, p. 5.

#### Fortunes in War Profits

In a recent speech before the Senate, Senator Capper of Kansas made the statement that during the war the American people paid for the coal mines, the steel mills, the textile factories, and every other essential branch of industry. Senator Capper did not give the facts upon which his statement rested, and I doubt if he knew how literally true that sensational statement was, but the fact is that the American people during the war did pay in net profits for the entire capital stock of the corporations in the essential lines of industry and trade.

In other words, it is clear that if the national government at the beginning of the war had taken over the essential lines of industry, and the American people had been required to pay the prices which private manufacturers and merchants have charged them, there would have been sufficient profit to pay for every dollar's worth of capital stock, and leave the nation today in possession and control of practically all its manufacturing plants.—Basil M. Manly, "War Profits of the Patrioteers," *The Searchlight*, April 1, 1920, pp. 19, 20.

### A Claim that Profiteering Is Not the Cause

Undoubtedly, profiteering of a most reprehensible sort has existed and does exist today, but the profiteer is a result of ever-increasing prices rather than a cause thereof. His influence in boosting prices is negligible. If all the profiteers in the world could be apprehended and thrown into jail or lined up and shot, it would have no appreciable influence upon prices.—R. F. Meeker, *Monthly Labor Review,* Feb., 1920, pp. 95, 96.

### The Case for the Profiteers

But first let us define the present *status in quo.* There is profiteering on an enormous scale, but are we not in business to make profits? And when did it cease to be "good" business to make as much profit as possible? When did a merchant's ability (as such) cease to be gauged by the profits he made? The stern economic law of supply and demand is the charter of the profiteer. If he is now having his day, what provision was made in bad times of the past to insure him against loss? Did not the public rush to benefit by his losses when his supply exceeded the demand and he was forced to unload to meet his pressing obligations? How silly, then, to expect the profiteer of today to treat the public more generously than the dear public would treat him if the conditions were reversed.—*N. Y. Times,* Sunday, July 25, 1920.

### An Argument for Limiting Production

We must clothe a naked European world; the balance of the world is half clothed, having economized in cotton goods for the last five years. . . . They must have our raw cotton. We hold it.

For the first time since cotton was cultivated in America we can name our own price for cotton. To retain this privilege, we must never again overproduce, but raise our own feed and food crops and a surplus to sell, raising cotton as a surplus crop, thus enabling us to get profitable prices and have the privilege of naming our own price. This means a blessing to every woman, child, and person in the South: it means that illiteracy will vanish like fog before the noonday sun; it means blessings too numerous to mention. It means that sectional lines and prejudice will vanish; that the South will become the pride and heart of this entire great nation.—J. S. Wannamaker, "High Prices for Cotton and How to Make These High Prices Permanent," *Progressive Farmer,* June 14, 1919, page 997.

### A Union Leader Calls for Production

We officers understand that the principle of our organization is to deal with the employers so that the rights of our people will always be protected. But it is not our purpose to protect them against work. Em-

ployers demand safeguards against decreased production, when we demand increased wages. And we stand for production; we want shorter hours to give you more leisure and more money to insure better living conditions, but I refuse to be a party to a vicious campaign of labor against production. The greatest enemies of our organization are those who speak against production. For such a policy would ultimately be our downfall.—Sidney Hillman, quoted in *New York Evening Post*, May 13, 1920, "Needle Fusion Promises Power."

### Judge Gary Expresses Optimism

However, somewhat to my surprise, I have, upon inquiry during the last thirty or forty days, ascertained that labor at our various plants is more efficient per man than it has been at any time before during the last five years.—Judge Elbert H. Gary, in *N. Y. Times*, July 23, 1920.

### The Opinion of an Industrial Engineer

Figures show that, on the average, 40 per cent of blast furnaces were kept idle during the last decade. The consumers paid about $79,200,000 yearly for these unused furnaces, of which at least $49,500,000 was avoidable. The total waste of fuel in steel and iron plants today as compared with 1915 is nearly $12,000,000, which, if saved, would be enough to increase present wages of every worker in the industry by something like $200 per year.—Statements taken from W. N. Polakov, "Organized Sabotage," *Socialist Review*, April, 1920, pp. 198-205.

### An Example from British History

Let us so increase productivity that we do not in the process sacrifice the producer to the product. In the first half of the nineteenth century and during and after the Napoleonic wars Britain increased her productivity to an extraordinary degree, but never was a free people more impoverished, more disgracefully oppressed, more endangered in morals and in health. The first half of the twentieth century must not repeat that tale.—R. M. MacIver, "Labor and the Changing World," p. 102.

## II. *What Effects Do Extreme Poverty and Luxury Have upon Family Life?*

### Social Workers Warn of Perils to the Family

Now it is useless to deny that in certain of its primary tasks the family has been subjected of late to very severe tests and that it has failed to meet them. Protection in childhood, the inculcation of necessary social habits and economic virtues, the maintenance of minimum stand-

ards of sanitation, health, comfort, and education, the protection of women from overwork, from physiologically injurious employment, and from any kinds of regular work for wages immediately before and immediately after childbirth, and at other periods when there is imperative need of release from the strain of such occupation; and the proper care of aged and infirm persons who are no longer able to work—such are the responsibilities which we have assumed to belong to the family.—Edward T. Devine, "The Family and Social Work," pp. 79, 80.

There is need, moreover, that we recognize the elements in our communities which tend to break down this normal family life. . . . But that in individual cases it does fail to function is too obvious to need stressing. Sickness, inadequate wages, bad housing, intemperance, immorality, all these and many other factors break down this finely adjusted institution. Some of these are factors outside the family itself, for which the community is responsible, and which must be removed by community action. More and more we recognize how many times family breakdowns may be traced to unwholesome external conditions such as these: a tenement so small that there is no place for real family gatherings; a father whose hours of work are so long that he cannot share his children's lives; an income too small to make joint recreation possible; these and many like factors nullify the truly educational possibilities of the home.—Margaret F. Byington, "The Normal Family," *Annals of the American Academy of Political and Social Science*, May, 1918, p. 27.

## Aggregate Waste of Luxurious Living Declared Appalling

Regarded from the standpoint of pecuniary expenditure, the misdirection of the surplus income into empty or depraved modes of recreation, culture, religion, and charity is the largest of all economic wastes. Could it be set forth in veracious accounts, its enormity would impress all reflective minds. How small the total yield of human welfare or even of current pleasurable satisfaction from the idle travel, racing, hunting, motoring, golfing, yachting, betting, and gambling, in comparison with the human gain from the work and arts of which they are the futile substitutes!—J. A. Hobson, "Work and Wealth: A Human Valuation," pp. 157, 158.

## Workers Charged with Extravagance

A Negro miner came into the office one day to ask us to make him a cash advance against his pay. Bear in mind that we pay in cash every fortnight, and men are not supposed to draw cash before paydays except in case of emergency. He explained his emergency as being that he

had $40 worth of clothes at the express office which he had to take out. He was wearing a better suit than our general manager at the time. The word thrift seems to be forgotten. Laboring men are buying silk shirts from $7.50 to $12 each, silk hose, expensive clothing, and automobiles, and are not content with Sundays and Saturday afternoons as time for riding around and showing off their finery.—James Bowron, in *Manufacturers' Record*, April 15, 1920, p. 108.

### Useless Work Condemned in Peace as in War

Everybody recognizes that the army contractor who, in time of war, set several hundred navvies to dig an artificial lake in his grounds, was not adding to, but subtracting from, the wealth of the nation. But in time of peace many hundred thousand workmen, if they are not digging ponds, are doing work which is equally foolish and wasteful; though, in peace as in war, there is important work, which is waiting to be done, and which is neglected. It is neglected because, while the effective demand of the mass of men is only too small, there is a small class which wears several men's clothes, eats several men's dinners, occupies several families' houses, and lives several men's lives.—R. H. Tawney, "The Sickness of an Acquisitive Society," pp. 20, 21.

### Everybody to Blame

It is idle to inveigh against labor or any other class. A general disposition seems to pervade all sections of society to work less and consume more, overlooking the fact that what is consumed must first be produced, and that any prolonged following of such a course must inevitably result in all having less.—A. B. Farquhar, in *Manufacturers' Record*, April 15, 1920, p. 101.

## III. *What Should Be Included in the Family Budget?*

### Range of Reasonable Needs of the Family

Few people would today have the hardihood to deny that man's life should contain the largest possible amounts of wholesome pleasure. "One of the strongest human wants is the desire for the society of one's fellows." This means that with a normal standard of living the house should contain a room fit for entertainment of company, that the family should have clothes which will enable them to appear in public without shame, and that the routine should include some leisure for polite intercourse. Still if a man is to be an end in himself, he must have more than this; he needs some education, books, pictures, and wholesome recreation; he must have time for the home life that Colonel Roosevelt calls "the highest and finest product of our civilization."

Beside all these things, a normal standard of living contains provision for all emergencies—sickness, accident, unemployment, and death —and for material advance—savings; religion, too, should be in the routine. So the ideal standard of living demands the satisfaction of reasonable wants of both body and intellect, and includes an ambition to improve.—F. H. Streightoff, "The Standard of Living," pp. 5, 6.

## CHAPTER II

# WHO SHOULD SUPPORT THE FAMILY?

1. On what basis are wages now estimated; on the idea that the mother and children should help in the family support or that the father should carry it all?

2. What does the housewife contribute to the family support? What rights should she enjoy as one of the supporters of the family?

3. Upon what proportion of the family income has the housewife a rightful claim?

4. What is a "union day" for the housewife?

5. Under what conditions, if any, should the housewife be expected to earn money toward the family budget?

6. What are the reasons why children are required to help support the family? At what age should they begin to assume such responsibility? What part should they take in the family support?

7. Where would you draw the line between injurious child labor and work of real value to the children?

8. What should determine the age at which any person should enter full time employment?

9. Ideally, on whom should the burden of supporting the family rest? What share may the mother and the older sons and daughters properly be depended on to carry?

### CURRENT OPINIONS ON THE QUESTIONS AT ISSUE

I. *Should Women Help Support the Family?*

**Recognize Economic Contribution of the Housewife**

I am forced to smile at the great emphasis placed on the dignity of woman's profession of home-making, which immediately and quite instantaneously becomes humiliating drudgery when a professor attempts it. It savors of the good old Indian days when any work whatsoever was "squaw's work." . . .

I must bolster up my husband's dignity and profession by appearing at numerous social functions. I meet and occasionally entertain his colleagues. I must keep the washtub and dishes firmly submerged in my subconscious, while I flash wit and wisdom to his everlasting credit, if I can. If my professor companion can't retain his brains and dignity after an occasional turn at the dish-mop or wringer, how on earth am I to appear his equal before his colleagues, when my whole working energies at home are spent in such "little" duties that my brains are in continual danger of running down the kitchen sink? . . .

I enjoy doing some reference work at the library for my husband, when I have time to leave my profession of homemaking. Should he feel any less joy in occasionally doing a little reference work for me? If not, he does not respect me in my job and we are not "comrades and partners," but I am his faithful domestic.—"The Dishwashing Professor Again," *New Republic*, June 30, 1920, p. 153.

## Pay for Housewives

Women in domestic work, whether married or unmarried, will receive pay as they would if they were in industry. This will secure the complete economic independence of wives, which is difficult to achieve in any other way, since mothers of young children ought not to be expected to work outside the home.—Bertrand Russell, "Proposed Roads to Freedom," p. 196.

## Recognize the Dignity and Satisfaction in Home Work

The Church believes that home making and motherhood will always be the great profession of womankind; and to this end, the Church should use its great influence to secure for woman in the home, economic independence, the control of her own person, and a professional standing in her work equal to that of men in any service which they render.—"The Church and Social Reconstruction," a statement issued by the Commission on the Church and Social Service of the Federal Council of the Churches of Christ in America.

## Some British Figures

The *British Labour Gazette* records 1,442,000 instances in which women have directly displaced men in jobs during the four years of the war.

British industries show an increase of women and girls in industry from 2,175,500 to 2,708,500. In miscellaneous occupations the increase is more marked, being from 1,099,500 to 2,042,500. Other belligerent countries had similar experiences.

No general withdrawal of women from the newly occupied territory

is likely; so another way out must be found.—(Figures compiled from recent reports.)

### Emancipation of Women

Prior to 1840 in Massachusetts a woman had no legal right to serve as treasurer of her own sewing society without some man being sponsor for her. But in the far West on the isolated farm it was impossible to preserve the old traditions that hedged about the woman of colonial days. Her economic importance as the home-builder guaranteed her freedom and elevated her social standing.—John M. Mecklin, "An Introduction to Social Ethics," p. 234.

### Perils to the Home from Workers in Industry

Family life in the home is sapped in its foundations when the mothers of young children work for wages. Yet each census shows a greater number of cities where married women are so employed—and infant mortality ranges high. In Fall River, the characteristic textile manufacturing city of New England, not only is the general death rate higher than in any other city of the same size, but infant mortality, in particular, reaches an appalling figure. This has been the history of the textile industries wherever they have been developed—in Germany, in England, or in this country—a high infant death rate has been their by-product. The double task laid upon mothers in such industrial communities is more than they can perform, and the babies pay the penalty with their lives.—Florence Kelley, "Modern Industry and the Family," p. 16.

### Results of Economic Pressure

The lower paid workers meet their situation by having more than one breadwinner in a family. A committee of prominent citizens, in no way prejudiced in the strikers' favor, reported as follows:

"Federal census enumerators now at work report the absence from home of both the mother and father in almost every case. The established practice is to have all the children in an apartment house cared for by one person—sometimes a young girl, or an old woman, or even an old man."

Obviously this condition aggravates the home situations among the workers. The committee goes on to say:

"The Superintendent of the Board of Health reports a prevalence of malnutrition among the young children, ascribed by some investigators to poverty, but really due to neglect by the parents, who are working in the mill."—Report on the Lawrence Strike of 1919, Commission on the Church and Social Service.

The new industrial order likewise affects the middle-class home in that it offers to women careers of economic independence and usefulness. The situation here, however, is still further complicated by the growing sense of personal rights and dignity that rebels against the economic dependence and the domestic drudgery of the home. With the sudden amassing of great fortunes within the last few decades we have the appearance of the parasitic wife and the multiplication of temptations to follow the leadings of a selfish and irresponsible individualism made familiar to us in the domestic scandals of the wealthy classes.—John M. Mecklin, "An Introduction to Social Ethics," p. 240.

### The Challenge of the Industrial Woman

We demand our right to come into industry on the ground that we are equally efficient, that we are going to undergo the same strain, that we are as good or better than the men; but we are not going to sneak in by the back door because we are cheap. We are going to come in the front door with the men, and if we cannot come in on our own merits, we are going to stay out until our own merits entitle us to come in.—Quoted from a trade union girl in the "Industrial Notebook," published by the Y. W. C. A.

## II. *When and under What Conditions Should Children Be Allowed to Work?*

### Work under Certain Conditions Considered Good for a Child

A moderate amount of work that is of a proper kind, and supplies the right conditions, is doubtless good for the normal child, a necessary factor to develop him physically, intellectually, and socially. The disastrous effects of idleness may fully equal those which come from overwork. It is possible, however, to be so misled by this fact as to fail wholly to recognize the perils that attend the work of children in the conditions which are supplied by modern industry.—Parley Paul Womer, "The Church and the Labor Conflict," pp. 171, 172.

Every child should work, but at work that develops, not deadens. Encourage work if it trains the child to be a better citizen. Stop it if it merely makes money for the parent or the employer. We must not grind the seed corn.—Owen R. Lovejoy, Secretary, National Child Labor Committee.

### Effect of Child Labor on Education

Statistics gathered in five "child labor states," according to the last annual report of the Children's Bureau of the Department of Labor,

showed that of 19,696 children to whom employment certificates were issued, 188 reported that they had never been at school at all, 1,615 had not gone beyond the first grade, and more than half were in or below the fourth grade when they left school. Only 2.7 per cent had reached the eighth grade and 1.3 per cent were in high school.—*The American Child*, February, 1920, p. 283.

### Child Labor Said to Destroy Home Life

The problem of the child and woman in industry appeared from the very beginning. . . . Statesmen such as Hamilton looked upon the mill as an industrial boon that would furnish employment for those who otherwise would be idle or a burden to the community. The result was that the early American factories were manned almost entirely by women and children. We have the beginnings in the New England mills of the family-system of labor to be observed still in the cotton mills of the South, where entire families are brought in from the mountains and work in the mills. The family exists, to be sure, but the home is largely sacrificed to the demands of the new economic order.—John M. Mecklin, "An Introduction to Social Ethics," p. 237.

### What a Child's Education Demands

We believe that on educational grounds the age of compulsory full-time attendance at school should be raised in time to fifteen, and ultimately to sixteen, and that the ideal to be aimed at is that between the age at which full-time attendance at school ceases and that of eighteen, all young persons not engaged in occupations which are themselves directly educational should spend ultimately not less than half their working time in continued school education.—Report of Archbishops' Fifth Committee of Inquiry: "Christianity and Industrial Problems," p. 87.

### Child Labor in Textile Trades Alleged Not Harmful

Much has been written from time to time on the evils of the textile trades employing women and minors and in many cases these so-called evils have been greatly magnified, usually by professional writers. Everybody that knows mill life in the textile trades realizes that over ninety per cent of the employes do not actually work more than seventy-five per cent of the time they are in the mill. Oftentimes the fact has been admitted to the writer that the tediousness of being in the mill is more trying than the actual or physical labor done. Hence the grievance becomes a state of mind rather than a physical hardship. It will be realized that in almost all of the textile trades men, women, and minors are equally efficient and can do the same work.—"Production and the Shorter Week," *Textile World Journal*, Dec. 6, 1919, p. 3171.

### Where Work Stunts and Deadens

In Massachusetts, according to reports quoted by Florence I. Taylor of the National Committee on Child Labor, it was found that the average fourteen-year-old mill boy was decidedly below standard in weight and height; and that the sixteen-year-old boys did not show a normal gain in height over the fifteen-year-old boys, and actually decreased two and a half pounds in average weight.—Henry A. Atkinson, "Men and Things," pp. 181, 182.

## CHAPTER III

# WHO SHOULD BE EXCUSED FROM WORK?

1. What groups of men, women, and children do not work at present? Which fail to work because of choice; which from necessity?

2. Why does anybody work? If there were no economic necessity, would anybody work?

3. Which of the following would you excuse from productive labor either of hand or brain? A person who has an inherited independent income; a person who has made his fortune; the girl who "lives at home?"

4. What is the difference between the tramp and the "globe trotter" in the effect on society?

5. Would you favor in peace time a compulsory work law, similar to that adopted by some states in war time? Why or why not?

6. What effect does unemployment have upon the worker as regards his sense of security and general contentment?

7. What lines of work give seasonal employment? What can be done to help such workers have steady employment?

8. What steps would you favor on the part of the community to insure uninterrupted work to every worker?

### CURRENT OPINIONS ON THE QUESTIONS AT ISSUE

I. *Why Do People Work?*

**The Greed of Gain**

Men work now not for food or clothing or shelter. The efforts of men are turned to the making of money rather than of the goods needed to sustain life, for once in the possession of money these goods can easily be obtained. . . . Work is done, goods are produced, service is performed, not because of their cultural or moral value but solely to assure through their production an adequate money-income. Natural wealth

is left undeveloped, crops are neglected, and goods necessary for life are not produced if they do not bring income.—John M. Mecklin, "An Introduction to Social Ethics," p. 377.

### A Necessary Evil

In Anglo-Saxon and Teutonic countries . . . work is universally conceived as something which people endure for the sake of being paid for. Being paid off, it seems abundantly clear, is the only reason a sane man can have for working. After he is paid off the assumption is that his pleasure will begin.—Helen Marot, "The Creative Impulse in Industry," p. 9.

### Money Not the Only Incentive

When I say that self-expression is a regulator of productive activity I mean that, like the pecuniary motive, though in a different way, it is the expression of an organic whole, and not necessarily a less authoritative expression. . . . The man of genius who opens new ways in poetry and art, the social reformer who spends his life in conflict with inhuman conditions, the individual anywhere or of any sort who tries to realize the needs of his higher being, represents the common life of man in a way that may have a stronger claim than the requirements of pecuniary demand. As a motive it is quite as universal as the latter and there is no one of us who has not the capacity to feel it.—Charles Horton Cooley, "Social Process," p. 322.

Even in our present confused and selfish scheme of economic life the best work is largely done under the impulse of service emulation. This is the case, for example, in most of the professions. Teachers are glad to get as much money for their work as they can, but what all good teachers are thinking about in the course of their labors, and what sustains and elevates them, is the service they hope they are doing in the common life. The same is true of doctors, engineers, men of science, and let us hope, lawyers, journalists, and public officials.—Charles Horton Cooley, "Social Process," p. 131.

## II. *Who Should Not Work?*

### Idleness a Possible Menace

"The war is making clear the fact that productive efficiency is the greatest force not only in industry, but in war, and hence an idle class, whatever its excuse, is a serious handicap to any nation."—H. L. Gantt, "Industrial Leadership," p. 90.

The Russian Socialist Federated Soviet Republic considers work the

duty of every citizen of the Republic, and proclaims as its motto: "He shall not eat who does not work."—The Russian Constitution, p. 7.

## III. *How Can We Reduce Unemployment?*

### The Extent of Unemployment

Three hundred and sixty-five trade unions in New York reported in 1909 that but two thirds of their members worked the year round; 191 reported an average dull season of three and one third months, while 211 showed an average loss in wages of 20.9 per cent. The figures for unskilled labor would, of course, be at least as bad.—Don D. Lescohier, "The Labor Market," p. 106.

Mr. Hornell Hart's careful study of the employment situation in the United States from 1902 to 1917 shows that while our industrial population increased in numbers from approximately 19,500,000 workmen in 1902 to about 30,200,000 in 1917, industry's demand for labor from year to year did not maintain any equivalence to the rate of growth of the industrial population. . . . Throughout the sixteen years the unemployed constituted, on the average, 9.9 per cent of the labor force; but this percentage reached 14.1 per cent in 1902, 14.8 per cent in 1908, 15.8 per cent in 1915 and 16 per cent in 1916. On the other hand, it fell to 5.5 per cent in 1906 and 6 per cent in 1916, and 4.7 per cent in 1917.—Don D. Lescohier, "The Labor Market," p. 31.

### Some Explanations Discredited

Some have suggested that there may be an oversupply of labor; this is one of the most persistent and mischievous half-truths of all the half-truth clan. One might as well say there is too much capital or too much land, or too much water. In a certain situation there may be too much land to go with the amount of water or labor or capital or something else available at just that place and time; it is largely a question of proportion.—Roy G. Blakey, "Thrift and Readjustment," *The Annals*, March, 1919, p. 30.

"If unsteady employment were principally due to the laziness, incompetence, and irregularity of workmen, the amount of unemployment would be approximately the same one year with another. Not many more persons are sick, disabled, delinquent, and lazy in winter than in summer; and certainly no more in 1904, 1908, 1912, and 1914 than in intervening years. And yet . . . the curve of employment shows that year after year there were more men idle in January than in March; more idle in July than in September; fewer idle in October than in any other

month; and millions more unemployed some years than others."—Don D. Lescohier, "The Labor Market," pp. 70, 71.

### Provision for Unemployed

The most significant and drastic step in improvement has been taken in the dock dispute in Britain where dock workers have been guaranteed their minimum daily pay whether employed or not—pay for the period of unemployment being drawn from a common fund levied on the whole dock industry.—Selected.

Even with the most complete machinery that can be devised, it is difficult to see how a certain amount of temporary unemployment can be avoided if we are content to rely entirely upon the ordinary course of relations between supply and demand. This margin of unemployment could, however, be largely reduced, if not extinguished, by State and Municipal expenditure upon work of public utility. . . . All such work should, therefore, be undertaken in close cooperation with Employment Exchanges and the local committees representing employers and employed. It should also be confined to work of definite utility and, as far as possible, to undertakings of a productive nature or connected with the restoration of the national plant [the entire machinery of production and distribution]. At the same time it would be legitimate to anticipate to some extent work intended to be done in the near future in order to give employment at the moment when it is most needed.—Garton Foundation Report (British).

## IV. *Does Handling Seasonal Industries Necessitate Periodical Unemployment?*

### The Menace of the Casuals

The casual workers are the true servants of humanity, and yet they are the ones that are passed by unnoticed, the ones that rarely if ever are influenced by the church. They constitute a great army of neglected men and women, a challenge to the church, a menace to society, and a danger to our commonwealth; and all because they are neglected and unknown.—Henry A. Atkinson, "Men and Things," p. 153.

### The "Jungle Stake"

It seems that when a laborer has earned a sum which road tradition has fixed as affluence, he quits. This sum is known as a "jungle stake," and once it is earned the hobo discipline calls upon the casual to resort to a camp under a railroad bridge or along some stream, a "jungle," as the vernacular terms it, and live upon this "stake" until

it is gone. Thereupon he goes north to a new maturing crop. Weeks spent among the casuals by two investigators lead them to attach great importance to this custom. In the words of a report, "The sum which usage prescribes that a jungle stake should be, taken in relation to the wage in the district, fixes the casual's endurance on the job. Today between ten and fifteen dollars is a proper stake."—Carleton H. Parker, "The Casual Laborer and Other Essays," pp. 78, 79.

### The Problem at Its Worst

California is a state of summer employment. The seasonal activity of the canneries, the state's principal industry, illustrates this fully. In August, 1909, California canneries employed 16,047; in February, but 2,781. Of the 150,000 migratory workers employed in the summer, a mass of direct and indirect information indicates that fully 100,000 face sustained winter unemployment. Driven out of the lumber and power construction camps of the Sierras by the snow, out of highway camps by the regular winter shut down, and out of agriculture by its closed winter season, with a winter's stake estimated to be on the average $30, these tens of thousands "lie up" for from five to six months in the cities of the coast.—Carleton H. Parker, "The Casual Laborer and Other Essays," p. 80.

## V. *What Can Be Done to Solve the Unemployment Problem?*

### Compulsory Work Law

All Bulgarian citizens of both sexes are liable to labor conscription; the men at the age of twenty, the women at that of eighteen. The term for the obligatory public labor for the men lasts sixteen, for the women eight months, of which at least three months will be devoted to purposes of education and preparation for the service, the rest of the time being employed in productive work. All those persons who are granted exemption from military conscription on account of some physical disability or other reasons will enjoy the same privilege in regard to Labor Conscription.—"Bulgarian Labor Conscription," *The New Republic,* July 28, 1920, p. 257.

### A Suggested Permanent Solution

The successful inauguration of the dovetailing of occupations and the guaranteeing of children a proper start in life require action by the community. The federal employment service, in order to attain adequate efficiency in this work, must permanently cooperate with and be influenced by the people of each local community in dealing with these problems. The state and municipal governments, and those interested in the welfare

of the workers in each community, must assume the main responsibility for this part of the work of reducing unemployment.—Don D. Lescohier, "The Labor Market," p. 135.

### How a Local Community Would Take Hold

We must have a system of employment offices, national in scope and monopolizing the whole employment business, which will be so carefully worked out that every worker can be placed in the nearest job that he is able to fill and will have access to every job open to his particular capacity. Our system must be able to keep every workman employed with the maximum steadiness; must be able to sift and classify the laborers, so that individuals who have a tendency to degenerate into casuals may be spotted and if possible held to steady employment; and must be able to sift out and furnish employers with the kind of men they want. It must dovetail the industries of each locality so as to use every man in the locality as steadily as possible in that locality.—Don D. Lescohier, "The Labor Market," p. 160.

## CHAPTER IV

# WHAT IS A FAIR RETURN FOR A FAIR DAY'S WORK?

1. What is the length of the average worker's day? What is commonly regarded as a fair day's work?

2. On what basis would you determine a fair day's work: quantity produced; endurance of worker; need for leisure? What other factors? Which of these are of the greater importance?

3. Should the length of the day's work be fixed by law or left to private agreement?

4. What should determine a fair wage, what a worker "earns" or what he needs?

5. Should women receive equal pay with men for equal work?

6. What can be done to keep the real wage equal to the nominal wage?

7. What in the way of a minimum wage law would you favor?

8. What more than a "fair day" and a "fair wage" would be necessary to satisfy the worker?

### CURRENT OPINIONS ON THE QUESTIONS AT ISSUE

### I. *What Should Be Considered a Fair Day's Work?*

#### A Statement of Present Conditions

The hours of labor in 90 trades which gave complete figures are as follows: 22 report that they enjoy the 44-hour week, 41 others work 48 hours per week, while 27 trades work more than 50 hours per week. Of these the following are the most important:

Barbers, 10-14 hours daily; retail clerks, 10 hours daily, averaging 60 to 63 hours weekly; glove makers, 8-9 hours daily, 44-50 weekly; marine engineers, 8-12 hours daily, for seven days per week; hotel and restaurant employes, over 9 hours daily for six and a fraction days per week; iron, steel, and tin industry, 8-12 hours; lace operatives, 52 hours per week; laundry workers, 48-54 hours per week; masters,

mates and pilots, 8-13 hours daily; railway mail association, "no limit"; seamen, 8-12 hours daily; stage employes, "indefinite."—Figures given by American Federation of Labor, quoted in *Trades Union News* (Philadelphia), Feb. 5, 1920.

### The Steel-Workers' Long Day

Underlying the steel strike are certain conditions, the continuance of which is destructive of efficient democracy. The government of a democratic country should not remain indifferent to these conditions and cannot continue so when they give rise to embittered industrial disputes that threaten the prosperity of the whole nation. I refer to the outrageously long hours of labor that are still tolerated.—Henry R. Seager, "Needs of Industry versus Demands of Organized Labor," *Survey,* January Reconstruction Number, 1920, p. 337.

### A Social Worker's Objection to the Long Day

Whether the long day is desired by the employer, in the interests of profits; or by the worker, in the interest of wages; it is equally disastrous to the family life of the workers and equally disastrous to the American community conceived as made up of self-governing citizens.

The question which we raise and press with all the earnestness at our command is whether any corporation has the right, for any considerable number of years, to "decrease the efficiency" and "lessen the vigor and virility" of their men; whether any employing corporation, even if, for the bribe of overtime pay, the workers themselves acquiesce, has a right to deprive American families of the presence of the head of the family for thirteen hours of the day; or the right to deprive the community of the vigor and virility of its citizens.—Edward T. Devine, "A Statement to the President of the Constituent Companies of the U. S. Steel Corporation," *Survey*, March 13, 1920.

We can get into a working day of six hours all the work we are capable of when that work is monotonous—attending machinery and general work in a factory.

The six-hour day would also solve the question of the education of the boy and girl on their first leaving school; it would also solve the question of their physical training; it would solve the question of military training, so that we could have a trained citizen army; and it would solve the question of the outlook on life of our workers.—Lord Leverhulme, "The Six-Hour Day," pp. 17, 31.

### A Church Pronouncement

By reasonable hours we mean hours sufficiently short not merely to leave him unexhausted, but to allow him sufficient leisure and energy

for home life, for recreation, for the development through study of his mind and spirit, and for participation in the affairs of the community.—"Christianity and Industrial Problems," p. 75.

### One Day of Rest

The Conference believes that experience has demonstrated that in fixing hours of labor in industrial establishments at a point consistent with the health of the employes, and with proper opportunity for rest and recreation, there should in all cases be provision for one day's rest in seven.—Report of President's Industrial Conference.

In the interest of the family life of wage-earners, to assure to fathers opportunity of companionship with their wives and children, we Americans, in the twentieth century, have to strive to get by statute that which was laid upon the race by the Commandments, namely, one day's rest in seven. This was commanded as of equal importance with the injunction, "Thou shalt not kill."—Florence Kelley, "Modern Industry and the Family," p. 12.

### Reasons for a Forty-Eight-Hour Week

The fact is unmistakable that the most reliable evidence at present points toward an approximation of the eight-hour working day as affording for a considerable variety of occupations and for conscientious workers the best condition for high productivity.—Frederic S. Lee, "The Human Machine," p. 36.

The Conference believes that in most factories, mines, and workshops, and especially in repetitive work, the present trend of practice favors a schedule of hours of not more than forty-eight hours per week. —Report of President's Industrial Conference, pp. 33, 34.

We submit that the tendency to shorter hours of labor cannot be supported indefinitely if the world's work is to be done. Relief from tedious hours and hard conditions came naturally and logically when it was demonstrated that labor performed in a state of exhaustion was not humane, productive, nor profitable. But if the judgment of mankind can be relied upon, forty-eight hours of labor, daily, within one week, for work not excessively exhausting nor perilous is the medium between sloth and an oppressive day's work.—"Publishers Oppose the 44-Hour Week," *N. Y. Times*, April 24, 1920.

### Eight-Hour Day Condemned

The cost of living, after all, is the great problem. It is not possible to reduce the cost by imposing on this country an eight-hour day which would reduce production or increase costs, nor is it possible by national unionization and the conferring of extraordinary powers on the unions

to bring about that efficiency which is also a necessary element in increasing production and reducing the cost of living.—*Industry*, Oct. 1, 1919, p. 15.

### Claims Workers Like Long Hours with a Basic Day

"What of the demand of the eight-hour day?" I asked the employment manager of one of the largest independent corporations. He replied, "I have had thousands of foreigners apply to me for jobs, and I can say that the majority of them, as one of the conditions for going to work, have insisted that they be given an opportunity to work extra time even on Sundays. They consider a ten-hour job better than an eight-hour one, and if they are given a twelve-hour job they consider that better still. The reason is they want the time and one-half. So many of them have wanted this opportunity that there was no other thought about it until the labor agitators appeared."—A. J. Hain, "Agitators Sow Vicious Doctrines," *Iron Trade Review*, Oct. 2, 1919, p. 914.

### Shorter Hours, More Production

Not only did we produce as many sets of wheels in eight hours as we formerly did in ten, but there was a saving of seven and one-half cents per set in the labor cost. The earnings of the workmen for the shorter day were five per cent greater than for the longer shift. So shortening the working day combined with the resetting of the rates gave the workmen more wages and the factory the same amount of output.—C. A. Marston, "More Output from a Shorter Day," *Industrial Management*, February, 1919, p. 140.

And what has been the result of these mountain peaks of increased costs and increased difficulties of production in the woolen industry?

The answer, although surprising, is entirely logical and credible. An official of the American Woolen Company declares that the net result has been an improved quality of output.

American mills are today operating under conditions of highest efficiency ever attained, in the opinion of men competent to judge.—Newton A. Fuessle, "Clothing the World," *Outlook*, December 31, 1919, p. 593.

### Employes Guarantee Production

The employes of the American Multigraph Company have guaranteed to maintain production at the present rate per day. If production falls below the present standard after a thorough trial of at least six months they will agree to return to the nine-hour work day with the present rate of wage payment. This action was taken by the "congress"

elected by the employes after a committee had made a careful study of the present rate of production and methods of increasing it. In October, 1919, the hours were reduced from ten to nine at their request, but production remained the same.—*New York Evening Post*, May 5, 1920.

## II. *What Should Be Considered a Fair Wage?*

### Present Range of Incomes

Income tax figures for 1917 show that there were 1,832,000 persons with incomes above $2,000. Of these 838,000 received from $2,000 to $3,000, 375,000 from $3,000 to $4,000, 185,000 from $4,000 to $5,000, 106,000 from $5,000 to $6,000, 24,536 from $9,000 to $10,000, 16,806 from $20,000 to $25,000, 7,087 from $40,000 to $50,000, 6,208 from $100,000 to $500,000, 315 from $500,000 to $1,000,000, 100 from $1,000,000 to $2,000,000, 8 from $4,000,000 to $5,000,000, 4, $5,000,000 or over.—Summarized from address by Congressman A. J. Griffin, *Congressional Record*, May 3, 1920.

### Some Extremes in Wage Scales

Among the highest paid union workers are the structural iron workers who receive an average wage of $39.16 for a forty-four week. The building laborers average $26.55 for an average week of forty-six hours. Book and job compositors average $26.88 for a forty-eight hour week. In the steel industry average wages vary from $112.27 per week for the rollers in the sheet mills to $26.32 for iron handlers and loaders in the blast furnaces. Average earnings of bituminous coal miners were below $23 a week during 1919. A group of 286,000 section men on the railroads averaged $77.80 for a full month at the present rate. Another group of "unskilled workers" numbering 198,000 averaged $87.60. Both groups averaged full time during that month.

A recent report of the U. S. Women in Industry Service stated that $450 is considered a liberal estimate of the yearly income below which half the women workers in Philadelphia candy factories fall. Early in 1920 the New York State Consumers' League made a study of the wages of a group of 500 women employed in New York state: 88 per cent of these women received less than $16 a week. Only 4.8 per cent received over $20.—Data gathered by the Commission on the Church and Social Service.

### Suggested Standard for Determining a Fair Wage

The wages paid to a man of average industry and capacity should at least enable him to marry, to live in a decent house, and to provide the necessaries of physical efficiency for a normal family, while allowing

a reasonable margin for contingencies and recreation.—Report of the Twenty British Quaker Employers.

By a living wage we mean not merely a wage which is sufficient for physical existence, but a wage adequate to maintain the worker, his wife and family in health and honor, and to enable him to dispense with the subsidiary earnings of his children up to the age of sixteen years.—"Christianity and Industrial Problems," p. 75.

Considered from the standpoint of public interest, it is fundamental that the basic wages of all employes should be adequate to maintain the employe and his family in reasonable comfort, and with adequate opportunity for the education of his children. When the wages of any group fall below this standard for any length of time, the situation becomes dangerous to the well-being of the state.—Report of the President's Industrial Conference, p. 37.

### A Married Man's Wage for a Single Man

Just as the woman worker who lives with her parents has a right to a wage sufficient to maintain her away from home, so the unmarried adult male has a right to a family living wage. If only married men get the latter wage they will be discriminated against in the matter of employment. To prevent this obviously undesirable condition, it is necessary that a family living wage be recognized as the right of all adult male workers. No other arrangement is reasonable in our present industrial system. In a competitive regime the standard wage for both the married and the unmarried man is necessarily the same.—John A. Ryan, "Distributive Justice," pp. 374, 375.

### Effect of Low Wages on Home-Making

Vast numbers of men never found families at all because they fear to marry upon insufficient wages insecurely held by reason of the precarious nature of many employments; or because their health is destroyed before they reach an economic position which seems to them to justify marriage; or because the girls whom they would gladly marry are worn out and broken down in the service of industry.—Florence Kelley, "Modern Industry and the Family," p. 6.

### Two Great Employers Plead for Higher Wages

Cheap wages make a cheap boss. A man who will shave wages will shave material. . . . It is impossible to talk about doing business in a scientific way until you have intelligent people to work with you.

Your coworkers must be intelligent; they cannot be intelligent unless

they have enough to live on. The underpaid employe is not vicious—although I can see why he might be —but it is simply impossible for him to give attention to business until food, clothing, and shelter are taken care of. ". . . A minimum wage is not an act of compassion, but the primary evidence of a desire to do business.—"Why the Employees Run Our Business," by Edward A. Filene, *System*, Jan., 1919, p. 81.

But, in the years gone by, I seriously doubt many times if labor has received its fair share of the prosperity of this great country. We, as manufacturers, have got to open our eyes to a wider vision of the present and the future with reference to our workmen. We have got to devise ways and means by which capital and labor, that have so often been termed synonymous, shall share equally, not in theory, but in practice.—Charles M. Schwab, in *The Annals of the American Academy of Political and Social Science*, January, 1919, p. 158.

## Real and Nominal Wages

Economists distinguish between nominal wages, or the actual amount of money paid, and real wages, or the purchasing power which the money represents. The real wage may fluctuate very materially while the nominal wage remains the same.—Selected.

## Thinks "Pay" Will Not Satisfy

But as long as mineral owners extract royalties, and exceptionally productive mines pay thirty per cent to absentee shareholders, there is no valid answer to a demand for higher wages. For if the community pays anything at all to those who do not work, it can afford to pay more to those who do. The naive complaint, that workmen are never satisfied, is, therefore, strictly true. It is true, not only of workmen, but of all classes in a society which conducts its affairs on the principle that wealth, instead of being proportioned to function, belongs to those who can get it. They are never satisfied, nor can they be satisfied. For as long as they make that principle the guide of their individual lives and of their social order, nothing short of infinity could bring them satisfaction.—R. H. Tawney, "The Sickness of an Acquisitive Society," p. 24.

## Examples of the Establishment of a Living Wage

Fifteen states have minimum wage laws for women workers. A commission is appointed to study conditions in various industries and decide what the minimum wage for the different industries shall be. The commission for Washington has recently decreed that $18 a week shall be the minimum for women workers in hotels. Legislation authorizing the establishing of minimum wages for women has been enacted in Manitoba, British Columbia, Saskatchewan, and Quebec.—Selected.

## III. *Should Women Get Equal Pay with Men for Equal Work?*

### Needs of Women

The theory is often advanced that women workers do not need to receive a living wage since the women live at home and are working for "pin money." Investigations made in New York State show that eighty per cent of the women in factories were contributing to the support of someone else.—Data furnished by the Consumers' League.

### An Analysis of the Problem

The dilemma is simply this: If women receive unequal pay for equal work it is unfair and injurious to themselves and creates a type of competition which is unfair and injurious to the men; if, on the other hand, women receive equal pay for equal work is that, too, not unfair and injurious to men who as family breadwinners still bear the heavier burden? If taxation is considered fair when graduated in accordance with the economic capacities of the payer, why not wages graduated in accordance with the economic burdens of the payee?—R. M. MacIver, "Labor in the Changing World," pp. 205, 206.

### Merchants' Association Opposes Equal Pay

We have always considered the two groups, male and female, as distinct. It has been our opinion, borne out by long practice, that they must be considered distinct for this purpose. The doctrine of "equal pay for equal work" does not apply.

There are inherent differences between male and female workers which affect their value to industry and which must be taken into consideration in connection with the question of equal wages. Among these differences are:

1. The field of work is much larger for men than for women.
2. The average life in industry for men is many times longer than for women.
3. Steadiness is considered greater for men than for women.
4. The attitude toward the work is different.

—"Increased Employment of Women in Industry," report by Merchants' Association of New York, pp. 15, 16.

### A Statement Favoring Equal Pay

Women doing similar work or the same work as men should receive equal pay for equal work, in the sense that pay should be in proportion to efficient output. This covers the principle that on systems of payment by results, equal payment should be made to women as to men for an equal amount of work done.

In every case in which the employer maintains that a woman's work produces less than a man's, the burden of proof should rest on the employer, who should also have to produce evidence of the lower value of the woman's work, to which the fixed sum to be deducted from the man's rate for the particular job throughout the whole of the industry should strictly correspond.—Report of Committee to Investigate Wages of Women Railway Clerks (British), *Railway Service Journal*, November 15, 1919, p. 232.

(Equal pay for equal work is a standard endorsed by all labor organizations.)

## CHAPTER V

# WHAT IS THE RIGHT ATTITUDE TOWARD PROPERTY AND INCOME?

1. Has a person a right to all he can get?

2. Is there or is there not a limit beyond which a man cannot go and be fair and Christian? If so, what limit should society place upon income? How?

3. By what means do people acquire income without earning it? Has a man a right to income which he has not earned? Why or why not?

4. Which is right in the following?
"A man has a right to do what he pleases with his own."
"A man owns nothing—all belongs to society."

5. Why does society protect property? Should it be for the protection of the "rights of the individual" or to serve social ends?

6. What do we mean by Christian stewardship? How is it related to the Socialists' doctrine that all wealth used for production should be owned by society?

7. Some Christians say: "I give my tithe to the Lord, and what I do with the rest is no one's affair." Others say: "As a Christian, I can spend personally for clothes, recreation, education, and other things, only as much as will make me more efficient in serving the common good." Which is in accord with the demands of Christian stewardship?

8. How can a person know where to draw the line between harmful asceticism and selfish indulgence?

9. Can a man atone for excessive income or for acquiring income without earning it by giving to social causes? Why do you think so?

10. Which is of more value to society: the large gifts of the few or the small gifts of the many?

11. From the Christian point of view what is a "sound investment"? Has a Christian a right to receive dividends from any investment without recognizing his responsibility for the conditions under which the money was made? If he finds the conditions are unjust, what should he do about it?

12. If it comes to a choice, is the Christian under obligation to choose the investment with the more just conditions and the larger service possibilities, even if it means smaller returns? Is he obligated to patronize the higher priced concern if the working conditions there are better? Why do you hold your opinion?

13. When may a person consider his obligation in relation to his property and income fully discharged?

## CURRENT OPINIONS ON THE QUESTIONS AT ISSUE

### I. *What Are the Extremes of Poverty and Wealth?*

#### Range of Income

Income tax figures for 1917 show that there were 1,832,000 persons with incomes above $2,000. Of these 838,000 received from $2,000 to $3,000, 375,000 from $3,000 to $4,000, 185,000 from $4,000 to $5,000, 106,000 from $5,000 to $6,000, 24,536 from $9,000 to $10,000, 16,806 from $20,000 to $25,000, 7,087 from $40,000 to $50,000, 6,208 from $100,000 to $500,000, 315 from $500,000 to $1,000,000, 100 from $1,000,000 to $2,000,000, 8 from $4,000,000 to $5,000,000, 4, $5,000,000 or over.—Summarized from address by Congressman A. J. Griffin, *Congressional Record*, May 3, 1920.

The richest hundredth of the people possess approximately 15 per cent of the income and 47 per cent of the wealth.—W. I. King, "The Wealth and Income of the People of the United States," (1915) pp. 231, 232.

#### Producing Millionaires

For one thing, peace urgency has replaced war urgency and we are not willing to bid for peace labor as we had to bid for war labor. For another thing, the employing class is immensely more powerful than it was in 1914. . . . There is more money at its command. Eighteen thousand new millionaires are the war's legacy. This money capacity is more thoroughly unified than ever. In 1914, we had 30,000 banks, functioning in a great degree in independence of each other. Then came the Federal Reserve Act and gave us the machinery for consolidation and the emer-

gency of five years' war furnished the hammer blows to weld the structure into one.—Roger W. Babson, quoted in *The New Majority*, June 12, 1920.

## The Extremes of Poverty

In the southern mill towns the companies usually own all the houses in which the people live. These houses are generally one-story buildings with a porch extending along the entire front. All of them are alike, and most of them are painted gray or drab. The streets of the mill village are unpaved and in most places cut into gullies by the rains. In a few places running water, bathtubs, electricity, and other modern conveniences have been provided, but these are the rare exceptions. More often the houses are barren of all comforts, and living is reduced to the lowest possible terms. . . . At an investigation made by a state commission in Atlanta, Georgia, one of the men testified that he, his wife, five of his children, and his wife's sister all worked in the mill; there were three younger children who stayed at home, the oldest one of the three acting as housekeeper and nurse. The improvements that most people expect as a matter of course, such as fireproofing, sanitary plumbing, lighting, heating, storage, and bathing and washing facilities, are utterly unknown.—Henry A. Atkinson, "Men and Things," pp. 40, 41.

If you should visit the coal-mining community, you would first of all be impressed with the desolation of the place. The village is an ugly, straggling affair with nothing to add to its beauty or hide its deformities. Nearly all the houses are built alike, two and three rooms being the average size. . . . The fences are of rough pickets and so broken and out of repair that, as one person visiting the coal town for the first time said, "The pickets look like broken teeth in an old, dried-up skull." There are very few flowers or gardens, and the deep black mud of the winter-time, the black smoke and the dust of the dry season during the summer deepen the sense of desolation one feels in the midst of these villages.—Henry A. Atkinson, "Men and Things," pp. 67, 68.

Nearly half the total population of the city (Passaic, N. J.) is crowded into one-sixth its area in the workers' section, and it is generally admitted that the housing situation is serious. . . . In casual visits we found a woman mill worker's family of seven living in three tiny rooms, two of which were unventilated and pitch dark. An Italian girl who works in the Botany Mills was living with a large family of brothers and sisters in the basement of a tumbledown frame house.

The effect of the squalor of the Dundee district is heightened by the proximity of the "hill" section of Passaic, which is a residence suburb

with roomy, comfortable houses set in wide lawns. The commuters and others who live in these houses are not troubled by the sight of the slums, however, because on account of the transportation arrangements they are entirely isolated from them.—Eloise Shellabarger, "The Shawled Women of Passaic," *Survey*, July 3, 1920, p. 466.

Many estimates place the total number of persons who receive some sort of relief in a single year in New York City above ten per cent. It seems probable, therefore, that, taking the country as a whole, nearly five per cent of our population require some sort of help every year. . . . Upon the basis of this and other facts it has been estimated that the number of people in the United States living below the poverty line is more than 10,000,000 in years of average prosperity. . . .

Mr. Charles Booth . . . says that about thirty per cent of the population of London live below the poverty line, and Mr. B. S. Rowntree found in the English city of York about the same proportion.—Charles A. Elwood, "Sociology and Modern Social Problems" (1913), pp. 284, 285.

## II. *Is There Any Moral Difference between Earned and Unearned Income?*

### "Unearned Income"

Economists distinguish between earned income, i.e. income secured by rendering specific service, and unearned income—for example, interest, rent, and profits.—Selected.

### Extent of Unearned Income

The official definition [of millionaires] is based upon studies which show that when incomes reach and pass $100,000 their great bulk comes from dividends and interest on investments—in other words from "possessions." The average for the group of incomes shows 59.7 per cent from dividends and 13.68 per cent from interest, which leaves but 26.62 per cent coming from all the other sources classified as wages and salaries, business, partnerships, rents, and royalties and profits from sales of real estate, stocks, and bonds. On this basis, then, millionaires in the United States increased from 2,348 in 1914 to 3,824 in 1915, and to 6,633 in 1916.—*Literary Digest*, March 6, 1920, p. 52.

Figures secured from income tax returns show that one man in the United States earned last year a net income of $34,936,604 and another $5,794,559. There were eight persons with incomes from $4,000,000, to $5,000,000, 5 with incomes from $3,000,000 to $4,000,000, 67 with net incomes between $1,000,000 and $1,500,000, 315 with net in-

comes between $500,000 and $1,000,000. In all there are 460 persons in the United States whose aggregate net income was $520,835,914.—Summarized from address by Congressman A. J. Griffin, *Congressional Record*, May 3, 1920, p. 7,004.

### Great Incomes Considered a Boon to Society

The whole theory that a comparatively few people enjoy most of the benefits of existing wealth breaks down completely under examination. The fact is that in proportion to the total product the share consumed by the rich is insignificant. The large incomes go back into industry to increase production for the public market, and the benefits inure mainly to the public.—George E. Roberts, quoted in *Iron Trade Review*, Nov. 6, 1919, p. 1272.

## III. *What Should Determine the Size of a Man's Income?*

### A Roman Catholic Authority Considers a Standard Maximum Essential

A maximum living allowance is as essential to spiritual welfare as a minimum allowance is for bodily comfort, asserts Father John A. Ryan, who in "The Church and Socialism" holds that a twelve-room house is sufficient for an average-sized family of husband and wife and four or five children and an income of $10,000 enough for annual expenditure.

When the demands of health and moderate comfort have been supplied additional sense-satisfactions contribute little or nothing to the development of body, heart, or mind. They necessitate an expenditure of time, energy, and resources that might be employed in building up the higher and rational side of man. They put a damaging influence upon morals, mind, health, and happiness.

"The belief that men can live noble, religious, and intellectual lives in the presence of abundant material satisfaction is well called by the economist, Charles Perin, the most terrible seduction of our time."—John A. Ryan, Review of "The Church and Socialism," *Literary Digest*, March 6, 1920, p. 37.

### A Captain of Industry Thinks Some Men Worth a Million a Year

I pay the managers of our works practically no salary. I make them partners in the business, only I don't let them share in the efforts of any other men. For example, if a man is manager of a blast furnace department he makes profit out of the successful conduct of his depart-

ment, but I don't allow him to share in the prosperity of some other able man in some other department of the establishment. I give him a percentage of what he saves or makes in the department immediately under his own control and management. . . . And I pay in what I call bonuses to the various superintendents and managers of the different establishments more money for their successful management than I pay the stockholders of the concern in dividends. . . . But I don't mind saying that forty, fifty, sixty, a hundred thousand dollars a year for these men is not infrequent. . . . And I am glad to tell you that in carrying out that principle Mr. Grace has earned considerably more than $1,000,000 a year. . . . It would run into several millions a year.—Charles M. Schwab, *N. Y. Times,* March 21, 1920.

## IV. *How Far Does the Philanthropic Use of Income Answer Objections to the Method of Its Acquisition?*

### The Demand of the Social Creed of the Churches

The Church has long measured a man by his use of his wealth, has demanded that he should hold it as a sacred trust. The Christian conscience is now applying the same standard to the acquisition of wealth. We are beginning to care more how a man earns his wealth than how he spends it. The Christian conscience can no longer accept income at the cost of the lives of others. Those who take money that is made at the cost of wasted health and moral destruction stand before God as those who live off the lives of their fellows.

It is the task of Christian statesmanship in the industrial world so to organize the industrial process that it shall conserve not only the physical but also the moral and spiritual welfare of the workers. Then is the wealth-making process religious.—Harry F. Ward, "The Social Creed of the Churches," pp. 176, 177.

### Dangers of Philanthropy

. . . Private organized charity is an obstacle in the way of justice. If we had no such organizations men would think of fundamental reforms; they would think of ways and means to abolish the causes of poverty, rather than the consequences of it. I know of many instances where organized charity opposed practical movements, like motherhood pensions, minimum wages, and housing reforms. Why? It seems rather hard to say it, but I believe it was because the class which administers charity is the class responsible for poverty. It is responsible through the unjust economic conditions which this class perpetuates. And it is the very halo which organized charity throws around itself that makes it doubly difficult for us to penetrate to the real cause of industrial injustice and put an end to it.—F. Stuart Chapin,

"Democracy and Class Relations," Publication of the American Sociological Society, Vol. XIV, pp. 106, 107.

These public gifts of millionaires debauch the character of cities and states more effectively than the private gifts of unreflecting donors the character of individuals. For, whereas many, if not most, of the private recipients of charity are victims of misfortune or of lack of opportunity, and are not fully responsible for the evil plight in which they stand, this is not the case of an organized self-governing community, a city or a state. Such a society is able, out of its own resources, if it chooses to secure and use them, to supply for itself all its own legitimate needs. It has a far larger self-sufficiency for meeting all ordinary emergencies and for following an economy of self-development and progress, than has the individual citizen. For it can supply its needs out of the social income which its collective life is constantly assisting to produce, out of that very surplus which, wrongly allowed to flow, unearned, into the coffers of rich individuals, is the very fund used for this debasing public charity.— J. A. Hobson, "Work and Wealth, a Human Valuation," p. 297.

Every increase in philanthropic machinery delays the natural tendency in democracy to take upon itself responsibility for unfortunate conditions incident to its existence. Social maladjustment cannot be remedied by personal gratuities.

There is another reason for the collapse of philanthropy. Charity does not return to the worker that part of the value of his labor which is taken from him by the exploitation of capital. A pitiable small percentage of this surplus profit returns, in the form of philanthropy, to the workers, who, to make both ends meet, should have received it in the first place as a just recompense of their toil.—Percy S. Grant, "Fair Play for the Workers," pp. 33, 34.

## A Defense of Philanthropy

The whole purpose back of modern philanthropic movements is not to throw dust in the eyes of the sufferers from our social arrangements, but to alleviate the misery incident to the poor working of all economic and social machinery, and ultimately to remove the conditions that produce injustice. . . . Some of the philanthropists may believe that a fundamental change in our economic and social life is necessary. Others believe that it is not necessary. Both, however, are working to perfect the machinery so that the maladjustments may be eliminated and a more perfect democracy result, so as to bring about equality of opportunity and an attitude of service of every member of society to every other member.—J. L. Gillin, "Modern Philan-

thropic Movements in Their Relation to Democracy," Publication of the American Sociological Society, Vol. XIV, p. 119.

## V. *How Far Has Society a Right to Interfere with Private Ownership?*

### Community's Claim on Property Considered Paramount

We believe that in future the community will claim a greater part of "surplus profits" in the form of taxation, and we believe that such a development would be right. But whether this takes place or not, we think that profits, as well as the businesses from which they are derived, should be regarded as a trust and that due weight should be given to the views of others, including employes, in deciding how best that trust can be discharged.—"Quakerism in Industry," p. 141.

### To "Do As We Please with Our Own" Declared Unchristian

In particular, the doctrine sometimes advanced, that a man is free to do what he likes with his own, that all men are justified in following their own pecuniary interests to the fullest extent allowed by law, and that social well-being will incidentally, but certainly, result from their efforts to further their own self-interest, is definitely anti-Christian.—"Christianity and Industrial Problems," p. 17.

### An Attack on the Present Profit System

A profit-seeking system will always breed profiteers. It cannot be cleansed or sweetened or ennobled. There is only one way to Christianize it, and that is, to abolish it. . . .

This whole present industrial and commercial world, ingenious, mighty, majestic, barbaric, disorderly, brutal, must be lifted from its basis of selfish, competitive profit-seeking and placed squarely on a basis of cooperative production for human needs.—S. G. Bland, "The New Christianity," p. 47.

### Private Property Right if Well Administered

I most firmly believe that the capitalistic system is the best if it is grasped in its entirety, if it is understood, and if it is administered with skill and intelligence. I think it is perfectly possible to balance the relations between the man who works with his money and the man who works with his hands, so that each will be content, not with his share, for that is impossible, but with the fairness of the division, and will be entirely satisfied that when a dispute arises it is the detail and not the system that is at fault.—William R. Basset, "When the Workmen Help You Manage," p. 249.

## VI. *How Can a Person Determine the Use to Be Made of Property and Income?*

### The Biblical Standard

It is the message of the New Testament that work is a duty which is incumbent upon all, that the members of a Christian community should aim at giving rather than getting, and that they should seek the service of others rather than the personal profit of themselves.—"Christianity and Industrial Problems," p. 17.

### Opinion of Twenty Quaker Employers

In this connection we would ask all employers to consider very carefully whether their style of living and personal expenditure are restricted to what is needed to ensure the efficient performance of their functions in society. More than this is waste, and is, moreover, a great cause of class divisions.—"Quakerism in Industry," p. 142.

### No Common Standard Possible

The amount a man should spend each year, and the objects to which his expenditure should be devoted, depend for the most part on facts which are very imperfectly known to any outsider, and some of which can be known only by himself. One's means, one's liabilities, the number and needs of those for whom one is responsible, one's own capacity for using and enjoying as distinct from mere desire for plutocratic display—these and many other items enter into the calculus. What is extravagant in this person may well be parsimonious in that, not only because the one is rich and the other poor, or because the one has dependents and the other has none, but because a higher scale of living may be of genuine social advantage in some cases and of social disadvantage in others, or because that which is in one person an added refinement of life may be in another a vulgar piece of ostentation.—Herbert L. Stewart, "The Ethics of Luxury and Leisure," *American Journal of Sociology*, November, 1918, pp. 249-250.

### Some Suggestions to Christian Investors

We, the undersigned, in view of our responsibility as stockholders and beneficiaries through shares in corporations, feel compelled to state our conviction:

1. That the first charge on industry should be the adequate and honorable compensation of those engaged in it.

2. That the ultimate control in industry should pass from the owners of capital to those who work by hand or brain.

In so far as we may have power or influence we will use it to carry

this belief into effect in the determination of questions concerning wages and working conditions in those companies in which we hold stock. Furthermore, we will seek and support such reorganization of industry as will promote the highest good, even though it may mean the ultimate disappearance of any separate class of shareholders, and we are prepared to accept such personal loss as may arise from this process of reorganization. We invite the cooperation of all stockholders to this end. —"The Stockholders' Statement," *The World Tomorrow*, April, 1920, pp. 117, 118.

Mr. Babson characterized the careless exercise of the proxy privilege as one of the greatest curses of our time, and commended a lady in the audience who said that it was her custom to send back with her signed proxy a statement to the effect that she is far more interested in the conditions surrounding the workers in the industry than the amount of dividends which the factory in question is paying. Mr. Babson said that this was a valuable constructive suggestion, and that if stockholders generally were to take a similar stand, it would do much to react to the good of the workers.—"Industrial Problems Discussed in Boston," *Churchman*, March 27, 1920, p. 21.

## CHAPTER VI

# WHAT SHOULD THE PARTIES TO INDUSTRY DO TO SECURE THEIR RIGHTS?

1. Who are the parties to industry? What are the reasons for antagonism between them?

2. Under what conditions are strikes and lockouts justifiable?

3. Is the use of physical force ever justifiable on either side? What moral difference is there, if any, between the use of force in war and in labor disputes?

4. With which of the following do you agree?

The worker has a right to stay out of the union and deal individually with his employer.

The union has a right in the interests of its own preservation to insist that the "closed shop" be maintained and only union men employed in a particular industry.

5. What do you think of the union's claim that a man who enjoys working conditions secured by the union's effort is under obligation to join the union?

6. Is it an "open shop" if men are discharged for union activity? Under what circumstances has the employer the right to discharge men who belong to the union?

7. If industrial peace be secured without justice, how does this concern the public?

8. What attitude should the public take toward the inconveniences caused by the effort of capital and labor to secure their rights?

9. Suppose capital and labor should combine to the disadvantage of the consumer, what should be done? How can the interests of the public be safeguarded?

10. Is there hope of partnership, or are the rights of labor and capital irreconcilable? When, if ever, has the community a right to compel settlement?

## CURRENT OPINIONS ON THE QUESTIONS AT ISSUE

### I. *What Are the Causes of Industrial Disorders?*

#### The Worker's "Psychology"

A good deal has been said about the worker's psychology, as though the worker were some strange wild beast with a peculiar psychology all his own, quite different from the psychology of employers and managers. It is because the psychology of the worker is the same as the psychology of the employer and the manager that strikes and lockouts occur with such distressing frequency.

The present-day movement for industrial democracy is a partial recognition of the fundamental psychological phenomenon that industrial fatigue is not simply an engineering question to be stated mathematically in foot-pounds per hour or even a physiological question having to do with calories burned up in the body.—Royal Meeker, "Employees' Representation in Management of Industry," *American Economic Review*, March, 1920, pp. 91, 92.

#### The Causes of Strikes

In Canada, an analysis of the Report on Strikes and Lockouts, 1901-16, published by the Department of Labor, reveals the fact that in disputes concerning wage increases the average time-loss through strikes per employe affected was 19 days, in those concerning hours 24 days, but in those concerning union recognition it was actually 75 days. The disputes on this ground were therefore, though fewer in number, much more bitter. This is very significant. It is also very significant that the most difficult "labor troubles" which the U. S. Government faced during the war, for example, in shipbuilding, were due to the demand of the unions, and the resistance to that demand, for recognition and a share in control.—R. M. MacIver, "Labor in the Changing World," pp. 34, 35.

#### Monotony of Machine Labor Held as Cause

What is there in the nature of the present-day industrial employment that has bred such universal restlessness and discontent? The demand for higher wages, for shorter hours, for improved working conditions, a share in the management and all of the other exciting causes of strikes and labor disturbances are only symptoms of a deeper industrial malady which the highest wages and the shortest hours may relieve but fail to cure. The munition workers bought bungalows, touring cars, and diamonds. But they, like a million workers of today, were sick at heart. They were dissatisfied—but why? There is but one answer. Our social unrest is a disease of the soul and not of the

pocketbook. Our workingmen are sick of the monotony of machine labor. . . .

The men today are not driven—far from it; they are salved, and petted, and coaxed to an unheard-of degree. . . . But the new era has put personality in a steel niche, and it must stay put, else large-scale production is impossible. The strikers on our streets today are men entering a blind protest against a system that has taken the fun and romance out of their work, even though it has brought them a standard of living superior to the days of individualism. . . . Some plan must be found whereby men may become interested in their day's work—this is fundamental. It is a twentieth-century problem, and history gives us no clue to the solution.—David Harold Colcord, "Slaves of the Machine," *The Review*, January 3, 1920, pp. 9-11.

### A British Expert's Opinion

The disputes which matter are not caused by a misunderstanding of identity of interests, but by a better understanding of diversity of interests. Though a formal declaration of war is an episode, the conditions which issue in a declaration of war are permanent; and what makes them permanent is the conception of industry which also makes inequality and functionless incomes permanent. It is the denial that industry has any end or purpose other than the satisfaction of those engaged in it. That motive produces industrial warfare, not as a regrettable incident, but as an inevitable result. It produces industrial war, because its teaching is that each individual or group has a right to what they can get, and denies that there is any principle, other than the mechanism of the market, which determines what they ought to get. For, since the income available for distribution is limited, and since, therefore, when certain limits have been passed, what one group gains another group must lose, it is evident that if the relative incomes of different groups are not to be determined by their functions, there is no method other than mutual self-assertion which is left to determine them. —R. H. Tawney, "The Sickness of an Acquisitive Society," pp. 22, 23.

## II. *What Methods Do Employers and Workers Now Use and How Far Are They Justifiable?*

### Both Sides Censured

There has been an abundance of testimony to prove to our satisfaction that some employers have resorted to questionable methods to prevent their workers from organizing in their own interests; that they have attempted to defeat democracy by more or less successfully controlling courts and legislatures; that some of them have exploited women

and children and unorganized workers; that some have resorted to all sorts of methods to prevent the enactment of remedial industrial legislation; that some have employed gunmen in strikes who were disreputable characters and who assaulted innocent people and committed other crimes most reprehensible in character; . . . that some have attempted through the authorities to suppress free speech and the right of lawful assembly; and that some have deliberately for selfish ends bribed representatives of labor. . . . Unionists also cannot come into court with clean hands; we find saints and sinners, many of them, on both sides.—Employers' Group, Canadian Royal Commission on Industrial Relations.

### The Use of Violence by Strikers

There was unquestionably some violence on the strikers' part. The city marshal kept an exhibit of stones and brick-bats and other munitions of industrial war, which, while it served to excuse a repressive policy on the part of the police, was really significant for its smallness. On several occasions groups of them clashed with the police, notably in the case of their effort to cross the commons in a body. The Commissioner of Public Safety who, under the commission form of government, is responsible for police administration, took the position that no parade or other public demonstration should be allowed, because the situation called for a temporary abridgement of such privileges. It was a war maneuver and it was virtually a "war psychology" that prevailed. . . . The situation was exactly similar to that faced by an army fighting against odds, whose chief requirement is the maintenance of morale. Any yielding of their rights as citizens was manifestly a weakening of their cause. As defections from their ranks increased, the strikers became more insistent on the freedom of the streets, more reckless in picketing, and more offensive in intimidation. Things were done in retaliation and intimidation that the strike committee could not prevent. There were, for example, a number of fires of suspicious origin.—Report on the Strike in the Textile Mills of Lawrence, Massachusetts, February-June, 1919, Commission on the Church and Social Service.

We cannot close our eyes to the fact that in some sections representatives of local trades unions have advocated extreme measures. The selection of such men and the advocacy of these measures, we were led to believe, was the logical outcome made by both employer and employee of unjustifiable opposition by some employers. The adoption of the principle of the sympathetic strike has arisen from the refusal of groups of employers to grant the claim of the organized workers. These factors have been assigned as the chief causes of the non-observ-

ance of contracts entered into by the workers in numerous cases, especially in western Canada. This policy is not recognized by the international trades unions who believe in the due observance of agreements entered into by themselves or on their behalf.—Report of the Canadian Royal Commission on Industrial Relations, p. 11.

### Some Conflicting Opinions on the Strike

For it is the fatal defect of the method of progress by means of the strike . . . that it is indiscriminate in its operation. Might takes the place of right, and the most flagrant inequity can be enforced by the same means as the most reasonable equity. Moreover it is a method open only to the comparatively small section of the community that are capable, in view of their occupation, of high organization. It tends thus to benefit the few at the cost of the many, and to impose the will of the minority upon the majority.—F. J. C. Hearnshaw, "Strikes: Their Ethical Aspect," *London Quarterly Review*, Oct., 1919, p. 248.

From the point of view of morality, every strike is right, every strike is justifiable. The only question to be considered about any strike is the question of expediency. Is this particular strike likely to help or to hinder the workers in their efforts to escape from the system of industry for private profit?—Upton Sinclair in *The World Tomorrow*, June, 1920, p. 176.

The labor situation is critical and we must act; we must invent and apply new and unheard-of remedies, if necessary, to a phase in industry fast becoming crucial; my only plea is that in acting we choose our method and test it carefully as we do our ends. Even if at the moment no guaranteed method suggests itself, it is better to avoid one known to be evil; and an inventive and inquiring spirit cannot long fail to find a solution. . . . We believe that the difficulty of pointing to an immediate and obviously practical method of securing a given end does not justify us in approving a method which is in itself morally indefensible.—Henry J. Cadbury, "The Strike," *The World Tomorrow*, May, 1920, p. 132.

The strike is a form of coercion. So is all organization and all government known to man. . . . All property and especially all rent and interest depend on coercion often in its very worst forms. Anyone who can see the moral evils involved in the strike must be equally honest in seeing the far worse evils involved in a capitalistic society; and if he would deny the moral right of the one he must deny himself the right to use the courts or to hold private property under capitalism. —Evan Thomas in *The World Tomorrow*, June, 1920, p. 177.

### A Hopeful View of the Labor Movement

The workers of this country are devoting a great deal of thought to the study of economic questions. This educational process is apparently going on amongst them to a greater extent than amongst the employers of labor. Some of the literature read may not be sound, and the mental training of some of the workers may not be of a nature to enable them to understand it thoroughly, yet we are convinced that the good sense and sound judgment of the majority of the workers enable them to discriminate between what is sound and what is unsound. For this reason, extreme doctrines have not been accepted by any but a minority of the working people. Though the advocacy of extreme views both by speech and by the distribution of literature may be a contributing cause to occasional outbursts, the real causes of unrest are of a more fundamental nature.—Report of the Canadian Royal Commission.

### How Labor Justifies the Strike

They [the workers] are not unaware of the waste involved in a prolonged cessation of work or of the sufferings which they inflict upon themselves, their families, and the community. But they regard them as incidents in a prolonged campaign, and believe that unless the community is prepared itself to secure an adequate standard of life for all its citizens, then different groups of citizens are justified in endeavoring to secure it for themselves, even at the cost of inflicting temporary loss upon the community.—"Christianity and Industrial Problems," p. 71.

### A Union That Refused to Strike

We are, therefore, opposed to the demands for higher wages and higher prices. We shall not participate in or support the strike. We shall remain at our jobs, prepared to serve the public at our present wages and at present prices, believing that in this way we shall perform our public duty as well as serve our own best interests.

Our position, our wages, and the prices charged in barber shops may have no great public importance. But it is of vital importance, if the public's campaign against high costs is to be successful, that wage earners and employers alike should realize that in this world crisis relief will come only through moderation in demands for wages as well as for profits—and act accordingly.

If we are the first labor organization to take this position publicly, we are glad and proud to assume the leadership, in the hope that this may prove to be the beginning of an effective movement to advance a great public cause.—Terminal Barbers Stand by the Public, *N. Y. Times,* May 18, 1920.

## III. *Is the Closed Shop Principle Justified?*

### Declarations of Great Employers

The open shop presupposes the principle of Americanism. It permits every man to work where he pleases and for what compensation he may elect. It represents the principle of individual liberty, the only incentive to initiative. It makes possible individual reward. It eliminates that oppressing influence which rates all workers according to the lowest, and stamps upon them the seal of mediocrity. The closed shop, on the other hand, represents an un-American autocracy and a confiscation of liberty and of property rights. If the closed shop should supervene in this country, the present cost of living would within four years seem low by comparison, and the domestic as well as the foreign trade of the United States, which we now seem to hold securely, would inevitably fall into other hands. The closed shop means death to commerce. There can be no misunderstanding of that effect and anyone having a primary knowledge of sound economics will accept it without question. Two years ago the open shop was a local issue; today it is a national principle.—William H. Barr, in *Railway Review,* November 22, 1919, p. 771.

We do not combat labor unions as such. We do not negotiate with labor unions because it would indicate the closing of our shops against non-union labor; and large numbers of our workmen are not members of unions and do not care to be.

The principle of the open shop is vital to the greatest industrial progress and prosperity. It is of equal benefit to employer and employe. . . . This country will not stand for the closed shop. It cannot afford it. In the light of experience we know it would signify decreased production, increased cost of living, and initiative, development, and enterprise dwarfed. It would be the beginning of industrial decay, and an injustice to the workmen themselves who prosper only when industry succeeds. The open shop will generally be approved by them, for this permits them to engage in any employment, whether they are or are not members of a labor union.—Judge Elbert H. Gary, in the *Open Shop Review,* Oct., 1919, pp. 94, 95.

### "Preferential Shop"

The "closed shop" issue which is responsible for so much industrial warfare has been eliminated in some of the needle industries by the device of the "preferential shop." The issue has its cause in the difficulty of the unions in maintaining their membership and collecting money from members. The unions use their power over the employer to force him to maintain the strength of their organization by penalizing

persons who are disinclined to submit to the rule of the union officials. The conscientious employer has moral scruples against forcing his employes to be members of a union against their will and to submit to the authority of union officials.

The preferential shop idea is a compromise by which the greatest dangers and injustices of compulsory union membership are avoided and yet by which there is a distinct advantage to members of the union. Union members have preference when new people are needed and, when the force must be reduced, they are retained in preference to others.—Earl Dean Howard, "The Development of Government in Industry," *Illinois Law Review*, March, 1916.

### Labor's Offer to Surrender "Closed Shop" Principle

Mr. H. B. Endicott, a member of the "public group" of the President's First Industrial Conference, stated concerning the resolution brought in by a member of his group, declaring the right of organization: "It seemed to me that there was danger that this statement might be construed as urging workmen to join the union. Accordingly I suggested that there be added the following:

> 'This must not be understood as limiting the right of any wage earner to refrain from joining any organization or to deal directly with his employer if he so chooses.'

"The public group agreed that this seemed a safe proposition; the labor group, after quite a conference among themselves agreed to accept the same, although they realized that the last paragraph was not to their liking. The majority of the employers' group, after long consultation, decided against it."—*N. Y. Times*, October 26, 1919.

## IV. *What Attitude Should the Public Take toward Conflicts between Labor and Capital?*

### Governor Allen Counsels Coercion

Governor Allen said that labor leaders in Kansas contended that in forbidding the strike the State had taken away labor's best weapon. He contended that it had given labor in every honorable controversy the more reliable weapon of the State Government. . . . The Kansas law does not do away with collective bargaining. It gives the miners the right, organized or unorganized, and it protects the sanctity of their contract. . . . "I believe that the day is coming, my friends, when the doctrine we presented in Kansas will come to be accepted as the broad and just and impartial remedy for the compulsion of unionism. I would not seek to wipe out unionism, I would seek to place it under less radical direction."—*N. Y. Times*, May 29, 1920.

### Mr. Hoover Objects

Generally, it should be clearly understood that compulsory settlement of employment at best only assures continuity of production through just wages, hours, and profits. It does not approach the problem from the point of view of upbuilding a relation in industry that will, if successful, not only eliminate strikes and lockouts, but make constructively for greater production and cheaper costs. To me there is no question that we should try the experiment of the perhaps longer road proposed by the Industrial Conference for the development of relationships between employer and employe, rather than to enter upon summary action of court decision that may both stifle the delicate adjustment of industrial processes and cause serious conflict over human rights. We must all agree that those solutions of deficiencies in our social, economic, and political structure which are found through education and voluntary action of our people themselves are the solutions that endure. To me, the upbuilding of the sense of responsibility and of intelligence in each individual unit in the United States, with the intervention of government only to promote the development of these relations, the suppression of domination by any one group over another, is the basis upon which democracy must progress. The Industrial Relations Law of Kansas has taken from the workers their ownership of themselves. They must work by order of the court, under penalty of fine and imprisonment, and the Government stands behind such a law compelling them to work. A slave must work when his master directs, he cannot refuse. The freeman may refuse to work, may own himself.—Herbert Hoover in *National Labor Digest*, May, 1920, p. 13.

### Drastic Action Demanded

I hope that this association (American Bar Association) will try soon to frame a law to make strikes a criminal offense. These men who control the labor organization threaten us with calamities hardly second to those which happened through the acts of Germany. We could not afford to have a few Germans overrun the world, nor can we have in this country a few men not chosen to high office threatening the entire community.—Moorfield Storey, quoted in *Industry*, Sept. 1, 1919, p. 4.

### The Canadian Law

Under the law [of Canada], which was enacted in 1907, it is illegal to declare a strike or lockout in mines or other public utilities until a full investigation into the merits of the dispute has been completed. Thirty days' notice must be given of any intention on the part of either employer or workers to secure a change in wages or working conditions. If at the end of this period no agreement has been reached, application must

be made for a board of investigation and conciliation. The Minister of Labor then arranges for the creation of such a board, one member of which is nominated by the employers, one by the employes, and a third by joint recommendation of the other two members.

This board considers the facts of the case in dispute and makes its report to the Minister of Labor. After that employers and employes are free to accept or reject the recommendations and to resort to strike or lockout. . . . Professor Adam Shortt was chairman of eleven boards in the first two years after the act was passed. In every one of these disputes a settlement was effected and he has the reputation of having been the most successful chairman appointed under the act. In his opinion, the clauses which restrain the men from striking pending investigation are practically unnecessary.—W. L. Mackenzie King, "Industrial Disputes and the Canadian Act," pp. 3, 27.

## CHAPTER VII

# FOR WHOM SHOULD INDUSTRY BE RUN?

1. According to present practice for whom is industry run?

2. What has each of the parties to industry at stake?

3. In what ways do the interests of the parties to industry conflict?

4. Where is the truth in the following?

Capital may say: "I have put in the money and taken the risks; I should get the profits."

Labor may say: "I create all wealth, therefore I should have the profits."

The public may say: "We make industry possible, we have a right to determine production, wages, and profits in our own interests."

5. What are the considerations for and against industry being run for private profit?

6. What obligation is there to serve the community through the conduct of an industry? What share of this obligation rests upon labor?

7. Which would Christ regard as the more Christian—doing a piece of special church work or carrying on the ordinary business of life so as to express the law of service?

8. What changes, if any, are needed in the present system to enable an industry to meet the Christian demand?

### CURRENT OPINIONS ON THE QUESTIONS AT ISSUE

I. *In Common Practice, for Whom Is Industry Now Run?*

**Michigan Court Upholds the Prior Rights of Stockholders**

Directors are chosen from among the large stockholders, on the theory that a heavy holding is a guarantee of faithfulness to their property trust. This theory of what a director is for is admirably illus-

trated by the action of the Michigan Supreme Court, in condemning the directors of the Ford Company for decreeing that all the earnings beyond five per cent a month should be reinvested in the business, with the avowed intent of employing more labor and thus achieving a social end. The court upheld the protest of aggrieved stockholders, giving its judgment that "a business corporation is organized for the profit of the stockholders, and the discretion of the directors . . . does not extend to the reduction of profits in order to benefit the public, making the profits incident thereto."—F. Ernest Johnson, "The New Spirit in Industry," pp. 17, 18.

### The Public Concerned Chiefly with Production

The chief interest of the public is in obtaining the service or the commodity, not in the terms or conditions under which it is forthcoming. That these conditions, especially for the work-people, should be such as conduce to the health and comfort and prosperity of those who serve it and produce for it is certainly a matter of high concern to it, but not its chief concern.—N. P. Gilman, "Methods of Industrial Peace," p. 281.

### Mr. Rockefeller Puts Service Motive Forward

The day has passed when the conception of industry as chiefly a revenue-producing process can be maintained. To cling to such a conception is only to arouse antagonisms and to court trouble. In the light of the present, every thoughtful man must concede that the purpose of industry is quite as much the advancement of social well-being as the accumulation of wealth.—John D. Rockefeller, Jr., in *Annals of the American Academy of Political and Social Science,* January, 1919, p. 168.

### Place of Labor in an Industrial System

But there is a fundamental difference between the worker of today and that of the days of the handicrafts. The worker today is only part of a comprehensive mechanical process, the purpose and methods of which set metes and bounds to his actions. No act of his, however intelligent, must find its place in this predetermined scheme. The individual manipulator of a machine in a great shoe factory is at the mercy of the general process of which he and his particular machine are merely parts. The general process actually standardizes and delimits his thought. His ideas must fall within the fixed mechanical units of grade, weight, size, demanded by the machine process.—John M. Mecklin, "An Introduction to Social Ethics," p. 351.

We think that the common description of workers as "hands" sum-

marizes aptly an aspect of their economic position which is not the less degrading because it has hitherto met with too general acquiescence. The suggestion is that the worker is an accessory to industry rather than a partner in it; that his physical strength and manual dexterity are required to perform its operations, but that he neither has a mind which requires to be consulted as to its policy nor a personality which demands consideration; that he is a hired servant whose duty ends with implicit obedience, not a citizen of industry whose virtue is in initiative and intelligence.—"Christianity and Industrial Problems," p. 54.

### The Peace Treaty

The first clause of the Labour Declaration in the Peace Treaty states that "labour should not be regarded merely as a commodity or as an article of commerce." That we believe to be the basic principle on which the dealings between the employer and the employee should be established; and if it is freely and frankly acknowledged by employers, and acted upon in good faith, we believe it will go a long way to improve the relations between them.—Report of the Canadian Royal Commission on Industrial Relations, p. 9.

### Service Buys Success

A few of the great leaders of industry have understood in a general way this kind of finance based on service. Among them may be mentioned Mr. Andrew Carnegie, who said he valued his organization more than his plants, and who, through an understanding of this general principle, was able to dominate the steel industry; and Mr. Ford, who, by the same token, became the greatest automobile manufacturer in the world. The war has backed up Mr. Carnegie and Mr. Ford by proving that productive capacity is enormously more important than wealth.—H. L. Gantt, "Organizing for Work," pp. 54, 55.

## II. *What Stake in Industry Has Each of the Parties to Production?*

### The Responsibility of Corporation Directors

A director in a Lawrence mill told me that he could not, even by weekly visits to the mill, acquire information that would put him in a position to have an original voice in the determination of policy. In the presence of those whose statements about vital facts one is not in position to question, he instinctively subsides. To be sure, a director finding himself in this position can resign. It may help him out, personally, but from the point of view of redeeming the industry the proposal that a conscientious director make place for one of less sensitive fiber is not particularly helpful. . . . Here, then, are three types of rela-

tionship borne by the director to the industry: he represents his own interests, those of his clients, and, in general, the stockholders who elected him. Some of his clients tell him that they are not getting a "living dividend." A modern corporation may be composed of millionaires and dependent poor. The honest director is often in a bad way.—F. Ernest Johnson, "The New Spirit in Industry," p. 17.

### Profit the Prime Concern of Employer

Adam Smith's famous dictum, "The consideration of his own private profit is the sole motive which determines the owner of any capital," is still the theory of business enterprise. Whatever the variations due to the temper or training of the individual business man it still remains true that, as a rule, the effect his activity may have upon social welfare, as Smith says, "never enters his thoughts."—John M. Mecklin, "An Introduction to Social Ethics," p. 381.

### Conflicting and Common Interests of Capital and Labor

Anyone who today speaks of the "essential identity of interest between capital and labor" is convicted thereby of either simplicity or hypocrisy. . . . How can there be identity of interest between two parties one of which seeks to diminish what the other seeks to augment, to one of which accrues all of the joint product that it can withhold from the other? . . . Capital . . . is a passivity, not a productive function. Capital may be owned by an infant or an idiot or an estate or any other anonymity. The change of ownership would make no difference to the productive process of such. . . . But as between capitalist and worker the case is far more difficult and baffling. Even if we assume that both capitalist and worker are essential to production does it follow that the common interest in production suffices as a ground of agreement?—R. M. MacIver, "Labor in the Changing World," pp. 28-32

It is idle wholly to deny the existence of conflicting interests between employers and employes. But there are wide areas of activity in which their interests coincide. It is the part of statesmanship to organize identity of interest where it exists, in order to reduce the area of conflict. The representative principle is needed to make effective the employe's interest in production, as well as in wages and working conditions. It is likewise needed to make more effective the employer's interest in the human element of industry.—Report of President's Industrial Conference, p. 10.

I believe that the ultimate object of all activities in a republic should be the development of the manhood of its citizens; that such manhood can be developed to the fullest degree only under conditions of freedom

for the individual, and that industrial enterprises can and should be conducted in accordance with these principles. I believe that a corporation should be deemed to consist of its stockholders, directors, officers, and employes; that the real interests of all are one, and that neither labor nor capital can permanently prosper until the just rights of both are conserved.—Statement of John D. Rockefeller, Jr., before the U. S. Commission on Industrial Relations, Jan. 25, 1915.

### The Stake of the Community Fundamental

It is the community which provides the natural resources and powers that underlie all production. Individuals may acquire title by one means or another, but it is from the community, and with the consent of the community, that titles are held. It is the community, organized in various ways, which maintains government and foreign relations, secures law and order, fosters the arts and inventions, aids education, breeds opinion, and promotes, through concession or otherwise, the agencies of transportation, communication, credit, banking, and the like, without which any production, save the most primitive, would be impossible. It is the community which creates the demand for commodities and services, through which labor is provided with remunerative employment, and capital with a return upon its investment. Apart from the community, inventive genius, organizing capacity, managerial or other ability would be of little value. Turn where one may, it is the community that makes possible all the activities of Industry, and helps to determine their value and scope.—W. L. Mackenzie King, "Industry and Humanity," pp. 135, 136.

The community needs service first, regardless of who gets the profits, because its life depends upon the service it gets.—H. L. Gantt, "Organizing for Work," p. 5.

### The Changing Status of Labor

We commonly take it as decided that the status of the manual worker has to be changed. Two thousand years ago he was normally a slave. A thousand years ago he was generally a serf. A hundred years ago he was typically a mere servant, from whom, in his working hours, nothing was tolerated or expected beyond implicit obedience to orders from a capitalist superior. Today, it is clear, his status has been changed, and is to be increasingly changed. So much is commonly admitted.—*The New Statesman*, Oct. 18, 1919, pp. 53, 54.

### Sharing the Profits

Notwithstanding, some employers who are using profit sharing plans report highly satisfactory results. . . . Many of the concerns report that

they appropriate 10 per cent of the net annual earnings for distribution, while there are some cases where as high as 50 per cent of the net profits of the business is distributed among the workers. The employee usually shares in the profits in proportion to his wages and the length of time he has been in the employ of the company. —"Experiences in Profit Sharing," *National Labor Digest,* July, 1920, p. 29.

### The Human Element in Industry

The only way that improvement can be brought about, however, is by an appreciation on the part of employers of the workmen's problems and point of view and a human sympathy not for them, but toward them. This will help gradually to accomplish much more than will be accomplished by antagonistic complaints, even though it sometimes does try one's patience to find any basis of sympathy with the viewpoint or methods of the usual type of union leaders.—J. Harvey Williams, in the *Manufacturers' Record,* Apr. 15, 1920, p. 104.

Democracy is not mere politeness, though common courtesy is not without its value. If the worker comes into the office with a complaint and is told, as he not infrequently is, to "get to hell out of here," he is not likely to develop that good will which must certainly be one element in democracy. Nor is democracy *noblesse oblige,* an ideal which functions only in a society dominated by a master-and-servant ethics. Nor again is democracy the right of self-making men, worshiping their makers, to trample on one another climbing up the ladder of dollar success. Finally, democracy is not merely political organization and equal voting. Nor is it majority, still less minority, rule. A minority rule is sure to be the camouflaged domination of special privilege. Majority rule may be frankly tyrannous.

. . . Democracy, in other words, is the real recognition of each individual as an end, and an economy in which human powers and capacities for achievement, service, and happiness are symmetrically developed wherever found, without deference to race, sex, language, birth, or nationality. As a philosophy of means democracy is equity of opportunity and the cooperative use of human and natural resources to a worthy life for individuals.—A. B. Wolfe in Publications of the American Sociological Society, Vol. XIV, pp. 74, 75.

## III. *What Should Be the Purpose of Industry?*

### Business as a Service Profession

Business is taking on the character of a profession. Five great intellectual professions relating to the daily necessities of life have hitherto existed: the soldier's profession is to defend it; the pastor's to

teach it; the physician's to keep it in health; the lawyer's to inforce justice in it; the merchant's to provide for it. The duty of all these men is on due occasion to die for it. On due occasion namely the soldier, rather than leave his post in battle; the physician rather than leave his post in a plague; the pastor rather than teach falsehood; the lawyer rather than countenance injustice; the merchant—What is his "due occasion" of death? It is the main question for the merchant as for all of us. For the man who does not know when to die does not know how to live.—John Ruskin, "The Roots of Honor."

. . . Statesmanship in business has come to be adjudged worthier of a real man's mettle than philanthropy outside business. A business man's public service is seen to consist not so much in a number of benevolent chores taken on after office hours as in the way the business of the world is carried on during office hours.—Glenn Frank, "The Politics of Industry," p. 50.

## The Social Obligation of Industry

It makes it peculiarly important to insist that industry is before all things a social function, and that those engaged in it ought not to seek their own advantage at the expense of the community by unduly limiting the output, raising the prices, or deteriorating the quality of the services which they offer.—"Christianity and Industrial Problems," p. 59.

## A Cooperative Effort for Industrial Peace

Class rule, whether in an autocracy, a monarchy or a republic, is always and everywhere fatal to brotherhood and peace. The material relations that men and nations bear each other determine largely their social and ethical relations. If their material relations are mutual they will be friends; if antagonistic they will be enemies. The capitalist class and the working class can never be friends and brotherhood and peace can never be realized until the war between them is ended by the abolition of class rule and the establishment of the cooperative commonwealth.—Eugene V. Debs, in *New York Call,* June 15, 1920.

## CHAPTER VIII

# WHAT SHARE SHOULD LABOR HAVE IN THE MANAGEMENT OF INDUSTRY?

1. Has an employer a right to "run his own business" without the participation of those he employs? Why, or why not?

2. What share in management does the worker want? Should he have it? Why, or why not?

3. If some method of joint management is considered advisable, what is the comparative merit of the following?

   a. Collective bargaining and trade agreements.

   b. Works' committees, industrial councils, etc.

   c. Arbitration and conciliation.

4. Will increasing the workers' voice in industry be detrimental to the rights of the owner?

5. What weight should the employer give to industrial efficiency in deciding his labor policy?

6. Should the public be represented in industrial management? If so, how? If not, why not?

7. Is participation by the workers in the management likely to lessen industrial efficiency? Why do you hold your opinion? If it should, would human considerations still make it desirable?

8. What should be the determining factor in deciding who should manage industry?

### CURRENT OPINIONS ON THE QUESTIONS AT ISSUE

I. *How Much Voice Do the Workers Want in Industrial Management?*

#### Testimony of Eminent Employers

Cyrus McCormick, Jr., is quoted as saying lately:

"What the workingman is asking for, and what we are trying to give him, is a voice in the control of the business in which he is a co-partner.

This demand has taken on various forms in different places. In Russia and elsewhere on the European continent it is known as Bolshevism; in England they call it the Whitley plan; elsewhere it may be called employes' representation, and somewhere else co-partnership. Under all of these, however, it is the basic fact that the relationships between employer and employe must be founded on something else than a cash bond. . . . With every one of our hitherto most guarded ledgers open to these men, we believe that they would see the facts as clearly as we saw them."—*The Dial,* July 12, 1919, p. 8.

I believe that the greatest task to which American employers must address themselves is the devising of practical ways in which labor can be given the full recognition to which, as an equal partner, it is entitled. I make this statement with absolute confidence in the fairmindedness of the American workingman, when he is fully informed and is entirely free to act. If I did not have this confidence, I should despair of the future of our free institutions. I believe that one of the first steps necessary to inspire the workmen with confidence in the sincerity of the employers' recognition of the proper status of labor, is the adoption of a fair system of collective bargaining.—William B. Dickson, Vice-President, Midvale Steel and Ordnance Company, in *Annals of the American Academy of Political and Social Science,* September, 1919, p. 24.

The question which now confronts the student of industrial problems is how to reestablish personal relations and cooperation in spite of changed conditions. The answer is not doubtful or questionable, but absolutely clear and unmistakable. It is, through adequate representation of the four parties in the councils of industry. —John D. Rockefeller, Jr., in *Annals of the American Academy of Political and Social Science,* January, 1919, p. 171.

### Too Little Attention to Labor Policy

In the past it has been customary for the chief executives to deal only with the production, finance, and sales problems. Labor was left as an incidental matter for production superintendents and foremen to handle. Only when labor difficulties arose was labor considered important enough for the directors to handle and at such times subordinate officers had already committed the company to a policy that the directors were bound to uphold. Only by determining the labor policies in the board of directors' meetings, where they can be considered in conjunction with production, finance, and sales policies, can a proper system of labor relations be devised and kept in constant operation.—Wm. M. Leiserson, in *Monthly Labor Review,* October, 1919, p. 208.

### An Elemental Right Denied

Above all, his (the worker's) representatives cannot enter the council chamber where policy is determined. Yet that policy concerns him vitally, for on it may depend his standard of living, his chance of employment, his safety from or subjection to that excessive driving which wears out life.—R. M. MacIver, "Labor in the Changing World," p. 53.

In these days when the condition throughout the world is what it is, any man or group of men, who are unwilling to enter into conference for the sake of avoiding strife—I do not care who the party or parties may be—any man who is unwilling to enter into conference for the sake of helping to make a position rightfully understood is a public menace and should receive no consideration from society. I say that equally of any leader of labor or any captain of industry. The greater the man the greater the offense. Conference does not necessarily mean meeting all demands, or obtaining all demands, but it does afford opportunity for the statement of a position, and of giving to the public, the fourth party to industry, an intelligent appreciation of what is fundamental in differences between contending parties.—W. L. Mackenzie King, in Report of National Industrial Conference of Canada, p. 16.

### Employes Intimidated

A highly paid employe of the corporation refused even to see me. I had been at his house, and finding that he was out, I left word that I would return at a specified hour. Returning at the time named, my ring brought the housewife to the door, who told me that her husband was at home, but that he would not see me or talk to me because the company had forbidden its employes to talk with strangers about mill work. Repeatedly I interviewed men who answered my questions guardedly, evidently in great perturbation of spirit, as if they feared that my visit boded them no good. . . . One man, of long experience as a steel worker, who gave me a better insight into mill conditions than any other one person, remarked: "I used to write for labor papers a great deal, and sometimes I fairly burn to do it now—to declare before the world over my own signature, the facts about working conditions in the steel industry. But I can't. It wouldn't be safe."—John A. Fitch, "The Steel Workers," p. 215.

### The Workers Thought Indifferent to Joint Management Plans

I know of no case in which the workers have asked for or initiated any form of industrial representation, or have received the representation other than with suspicion. Workers do not yearn for democracy; they commonly know nothing whatsoever of the processes of industry and

always they will more readily receive an untruth than a truth. There is nothing strange about this. They have been firmly grounded in the notion that the employer will cheat them if he can, in which view they are more often right than wrong. It is a remarkable tribute to the fundamental fairness of the average man, to the fundamental fairness of the American worker, that he receives every clearcut plan for industrial representation with far better grace than the employer would have received such suggestion.—Samuel Crowther, in *World's Work*, December, 1919, pp. 191, 192.

### The Limits of Democratic Control

Democratic control, in the present stage at any rate, does not involve a demand for control over what may be called the "commercial side of management," the buying of raw material, the selling of the finished article, and all the exercise of trained judgment and experience that are brought to bear by business men on these questions. It is a demand for control over the conditions under which their own daily work is done.—A. E. Zimmern, "Nationality and Government."

### "Participation" Considered Inimical to Labor's Rights

My immediate advice to labor would be to stick to its strict rights of combining and striking; and certainly not to sell them for any plausible and partial "participation" in management. I distrust the latter because it is in line with the whole oligarchic strategy by which democracy has been defeated in detail. The triumph of capitalism has practically consisted in granting popular control in such small quantities that the control would be controlled. It is also founded on the fact that a man who can be trusted as speaking for the employes often cannot be trusted for long when speaking with the employers.—G. K. Chesterton, quoted by Glenn Frank, "The Politics of Industry," pp. 143, 144.

### What Participation Means

Representative negotiation is defined as that form of collective bargaining which provides for negotiation between an employer and duly accredited representatives of his employes, regarding hours, wages, and all other matters properly affecting their relationship. Employes' representatives should be duly accredited, should be chosen by the employes from among their own number, unless otherwise agreed by employer and employe, and be empowered by the employes to negotiate for them. Such negotiation should be under the control of the parties immediately concerned, and should they fail to reach an agreement the employer and the group of employes' representatives should each have the option of choosing, without restriction by the other party, a reputable and

competent adviser or advocate to meet with them in the continued negotiations. Representatives of employes, selected by and from among their own number, should be assured by their employer that no discrimination will be made against them because of anything said or done in their representative capacity.

In those industries where it is impracticable owing to the nature of the enterprise for a single employer to negotiate with his employes through representative negotiation, but it is practicable for a group of employers to negotiate with groups of employes and the law permits, it is advised that such group negotiations be conducted in accordance, as far as possible, with the plan of representative negotiation above outlined.—Industrial Information Service, June 17, 1920, p. 5.

In the systems of employe representation which I have been able to examine, the still small voice of the General Manager could be heard very, very distinctly above the roar of the shop committee whirlwind or the crash of the works council earthquake.—Royal Meeker, in *American Economic Review*, March, 1920, p. 96.

### Mr. Gompers's Criticism of the President's Conference

It is to be feared that the commission [the President's Conference] views industry from the viewpoint of the single shop and builds its machinery on the theory that disputes are to be settled shop by shop. If such a viewpoint is to be actually carried into operation it will be most disastrous. Unavoidably organization of independent shop units of employes is a menace to the workers, for the reason that it organizes them away from each other and puts them in a position where shop may be played against shop. Not only the welfare of the workers but the best economy for the nation demands that industry, in so far as possible, be viewed in a national light and that the workers be united into organizations covering whole industries, as is now the case with the one hundred and twenty national and international trade unions.—Samuel Gompers, in *National Labor Digest*, May, 1920, p. 25.

## II. *Is Participation by the Workers in Management Likely to Lessen Industrial Efficiency?*

### The Experience of American Employers

One very definite advantage of works committees which seems to be reported without exception is that representatives take back to the employes from the meetings a more adequate appreciation of the problems of the management, and that this, together with the increased comprehension by the executives of the problems, desires, and ambitions of their workers, results in a much better understanding on both sides.

One company reports that during the first few months after the establishment of its works committee system, production was increased about twenty per cent and expenses advanced less than five per cent. . . . The White Motor Company claims that the works committee was responsible for considerable reduction in turnover and absenteeism. The American Multigraph Company ascribes to its plan of representation a great reduction in the amount of tardiness. The Leeds and Northrup Company has observed a marked decrease in the amount of time wasted by workers since the shop committee was established. The same company reports that its works committee appointed a special subcommittee on housekeeping which conducted clean-up campaigns which greatly improved conditions of the plant.—E. B. Tolsted, in *Industrial Management*, Nov., 1919, p. 411.

### An Answer to a Question

Can you give an example of how any move suggested by the employes has reacted to the benefit of the firm?

Yes; take the question of hours of employment. We were working 53 hours a week. At one of the meetings of the lower house, it was suggested that the working hours could be reduced to 50 without a loss of production and with a certain saving in overhead. The subject was argued from every possible angle. Finally, all three bodies came to the conclusion they would try it out. If the experiment resulted in any loss of production, the workers agreed to go back to the 53-hour week. Everyone pledged himself to a full, honest 50-hour service, promising to avoid tardiness and idle machinery. Before the trial period was over, the production was increased by about 8 per cent, which meant better income and saving for all concerned. A few months ago the Cabinet suggested to the men that as long as the first change of hours worked out so successfully, the House and Senate should consider the advisability of changing to a 48-hour week. After quite some deliberation the new schedule was accepted and we are now working 48 hours without having decreased the production.—Leopold Demuth, in *Factory*, September, 1919, pp. 503, 504.

### Employer Thinks Workers Wholly Trustworthy

In the last analysis who is most vitally interested in the success of an organization, the man who is dependent on the permanency of his position and the possibility it offers for advancement, or the person whose only interest is the amount of dividends that can be secured on his investment? Does it sound reasonable to suppose that a board of directors composed of workers from every department of a corporation will be any more apt to make mistakes or act for their purely selfish interests than a board of stockholders who lack knowledge of the busi-

ness and whose connection with the organization is a strictly financial one?—David A. Brown, President, General Necessities Corporation, Detroit, in *Annals of the American Academy of Political and Social* Science, Sept., 1919, pp. 186, 187.

### Questions the Ability of Workers to Share Responsibility

The management of industry is increasingly technical in respect both to production processes and to business methods. It is perfectly evident that the average working man would be as completely lost in the office of the Production Engineer as he would be in the General Manager's office. For the most part the workers are not only unfit to share management to any considerable degree, but they are quite aware of this incompetence. They do not want to run the business but they want sufficient representation to determine, beyond a doubt, that it is being run without detriment to their own interests.—Selected.

## III. *What Is the Comparative Merit of* (1) *Trade Unions,* (2) *Works Committees,* (3) *Arbitration and Conciliation?*

### Declaration of the President's Industrial Conference

Many employers . . . object to collective bargaining through the trade union, on the ground that its agents are often not truly representative of their employes, that they are often uninformed in regard to the technical details of the business involved, and that, instead of feeling concern for the success of this business upon which the welfare of the employes as well as of the employers vitally depends, they care primarily for the success of the unions which they represent.

On the other hand, employes often object to collective bargaining through employe representatives, on the ground that such spokesmen, because themselves employes, are too dependent upon the employer, and too much under his influence to be good negotiators.

The Conference is in favor of the policy of collective bargaining. It sees in a frank acceptance of this principle the most helpful approach to industrial peace. It believes that the great body of the employers of the country accept this principle. The Conference believes that the difficulties can be overcome and the advantages of collective bargaining secured if employers and employes will honestly attempt to substitute for an unyielding, contentious attitude, a spirit of cooperation with reference to those aspects of the employment relation where their interests are not really opposed but mutual.—Report of President's Industrial Conference, pp. 30, 31.

### Mr. Schwab Objects to Outside Dictation

I am not opposed to organized labor. I believe that labor should

organize in individual plants or amongst themselves for the better negotiation of labor and the protection of their own rights; but the organization and control of labor in individual plants and manufactories, to my mind, ought to be made representative of the people in those plants who know the conditions; that they ought not to be controlled by somebody from Kamchatka who knows nothing about what their conditions are.—Charles M. Schwab, in *Annals of the American Academy of Political and Social Science*, January, 1919, p. 158.

### Government Mediator Outlines Rights of Both Sides

There is no more reason to insist that those whose labor is their capital should deal as individuals than that each capitalist should be in business by himself. If the people have a right to pool their cash capital in a corporation, the laborers have the same right to pool their labor capital in a union and deal collectively.

If an employer does not wish to enter into an agreement with a union, that is his privilege, but he certainly cannot justly refuse to enter into an agreement on wages and working conditions with a committee representing his own employes. In dealing with a recognized union the employer has the advantage of knowing the union is protecting him from unfair competition as to wages and hours by competing firms, while a committee of his own employes can give no such guarantee. If the employers and men in industry are thoroughly organized, wages and conditions can thus be stabilized and the turnover of labor caused by the men changing from shop to shop to get better wages can be avoided.—V. Everit Macy, in *Annals of the American Academy of Political and Social Science*, January, 1919, pp. 82, 83.

### Mutual Responsibility a Necessity

If individual bargaining has its defects and limitations, so, too, has collective bargaining, although they may be of a somewhat different kind. Especially if the collective bargain is signed, not by a union or a federation of unions, but by a temporary association of workers in a trade, as in the case of the Newcastle engineers in 1871, the danger of repudiation of the agreement, or disregard of some of its important provisions, is great, and there is no recourse for the party injured by the default. Figures show that strikes are more numerous in those industries where collective bargaining is practiced by unorganized workers than in those where the trade unions are strong. Beyond a question, then, the best machinery for the making and the enforcement of joint agreements is supplied by an employers' association on one side, that can bind its members, and a trade union, local or national, on the other side, that can equally hold all its constituents to the terms agreed upon.

Not every union or association has been able to do this. But it is much to the credit of the great majority of unions in England and America that they have generally lived up to the joint agreements which they have made; and the record of the employers' association is equally good.—N. P. Gilman, "Methods of Industrial Peace," pp. 121-123.

### An Expert's Testimony

It [the trade agreement] remains today as the most practicable method of measuring justice to the respective parties in industry, Capital and Labor; not exact justice, surely, but a measure of justice that fairly well fulfills the ideals of an age when exact justice, if not unattainable, nevertheless is unattained. . . .

Conciliation and arbitration, as understood today, presuppose a state of war between Capital and Labor. Remove the cause of the conflict and industrial peace is sure to follow. It will follow, too, in certain ratio to progress in removing basic causes of the conflict. Conciliation and arbitration offer no permanent relief. They do not presume to deal with industrial problems at their source. They merely temper the harshness of contending forces at its outlet. They are palliatives at best and frequently impotent palliatives.—Carl H. Mote, "Industrial Arbitration," pp. 315, 326.

### Labor's Objection to Coercion

The objection of labor to the Compulsory Arbitration Act, and also to the Canadian one, which requires publicity and notification for thirty days, and prohibits a strike or lockout during that time, is that they apply unequally to capital and labor; that capital can avoid the consequences of such a law and its actual restrictions which labor cannot do. It cannot call a strike and labor is placed at a disadvantage because capital can practically shut down and discharge men. Labor finds itself beaten under the enforcement of that act.—Harry F. Ward, "The Labor Movement," pp. 25, 26.

### Experience of Other Countries

It is, however, by no means certain that compulsory arbitration will achieve industrial peace. It has not in New Zealand or in New South Wales. Because of the political weakness of organized labor in the United States, the drafting and the enforcement of compulsory arbitration laws will doubtless, as a rule, be under the control of persons not recognized as friends of organized labor. Under such circumstances it may not be anticipated that this legislation will be very distasteful to the business interests of the nation.—Frank T. Carlton, in *Annals of the American Academy of Political and Social Science*, January, 1917, p. 156.

It was this experience [the need of power to investigate] which made us seek to get from Parliament powers of compulsory investigation, which meant to labor, power at the expense of the State, and with the machinery of the State back of it, to choose its own investigator, to summon witnesses, to compel the production of documents, to take evidence under oath, and to give to the public the fullest possible kind of a view of its case, including any injustices under which it might be suffering. . . . As a compulsory investigation act—that is to say, investigation of a dispute under compulsion at the request of either of the parties, labor or capital—never once during the Liberal administration did its provisions in this particular fail, and where investigation took place, the results were for the most part not only beneficial to the parties but very greatly so to the public as well.—W. L. Mackenzie King, "Industrial Disputes and the Canadian Act," p. 25.

## CHAPTER IX

# WHAT IS THE CHRISTIAN MOTIVE FOR INDUSTRY?

1. Why has competition been considered the life of trade? Does the competitive quest for private profit give the most economical use of human energies?

2. Which will produce the greater returns to industry, competition or cooperation?

3. Is competition consistent with the spirit of Jesus? If so, competition for what?

4. How does cooperation for the common good compare in its effectiveness with competition for private profit as a driving motive in industry?

5. Is the opportunity of serving the community a sufficient incentive to develop and enlist the most efficient work and skill?

6. Which motive in industry is more nearly related to the spirit of Jesus? Why do you think so?

7. How would you state the Christian motive for industry?

8. What part of the world's work is now done on a non-competitive basis? In this respect, how would you characterize the work of the factory laborer, the manager, the doctor, the teacher, and the preacher?

9. If the non-competitive motive is the more Christian, why is it difficult to get industry to try it? Why are industrial managers unwilling to make the spiritual venture of managing business according to their faith?

10. What can the Church do to lead industry to adopt the Christian motive?

## CURRENT OPINIONS ON THE QUESTIONS AT ISSUE

### I. *Is the Competitive Motive Consistent with a Christian Ideal?*

#### Lincoln a Product of Competition

Indeed, it is chiefly through competition that we come to know the world, to get a various insight into people's minds, and so to achieve a large kind of sympathy; while those who lead a protected life generally lack a robust breadth of view and sense of justice. A man, like Abraham Lincoln, who has worked his way from bottom to top of a society everywhere competitive, may still be, as he was, a man of notable tenderness, as well as of a reach of sympathy which only this experience could develop.

I take it, then, that real progress in this regard consists not in abolishing the competitive spirit but in raising it to higher levels, and that the questions just what this means, and whether it is practicable, and how, are the ones we need to discuss.—Charles Horton Cooley, "Social Process," pp. 127, 128.

#### Competition Both Good and Bad

It is probable that competition when properly regulated has made for equilibrium between production and consumption; it has aided progress by stimulating human energies; it has assured a measure of justice in the relations of wages and profits; it has benefited the poor and those in moderate circumstances through the lowering of prices; it has served to help men find their proper places in the social order. On the other hand, competition has also often endangered the balance between production and social needs; it has failed signally to equalize the distribution of profits and fortunes; it no longer controls prices in such important commodities as steel, oil, meat, and sugar; it is excessively wasteful, as when it encourages the rise of rival concerns which often combine and force the community to pay for useless investments; worst of all, competition, where it has given any measure of freedom, tends to destroy itself and pass over into its opposite, monopoly.—John M. Mecklin, "An Introduction to Social Ethics," pp. 392, 393.

#### Produces No Christian Virtues

Under the absorption, the exhaustion, of the fierce business competition of America, little else than business shrewdness, business insight, business knowledge can grow.—S. G. Bland, "The New Christianity," p. 45.

#### Some Theological Interpretations

In any form of organized society there would always be some sort

of rivalry, at least of an involuntary sort, unless it were based on the principle that all should receive exactly the same reward regardless of the value of their service. As long as everyone receives remuneration, and the remunerations are not all equal, there will necessarily be a sifting-out process to secure those who can render the best service. Even if profits in an industry were eliminated and all who were in any way engaged in it worked on a salary plan, and even if the highest income attainable were $10,000 and the lowest $5,000, there would still be needed some kind of emulation to determine who should hold the more highly paid positions. To discover and sort out the men who have the largest ability is necessary for the sake of the community itself, in order that it may have the benefit of their talents. Any successful society must secure the abler individuals for the difficult posts, with the result that the less able must fill less coveted positions. If, then, one were convinced of the justice of the methods employed in determining worth, the desire to have a better status than the lowest would be inseparable from the desire to be worthy of a better status than the lowest—which would be entirely commendable. If this be what we mean by competition then it would not be self-seeking in any unworthy sense; it would simply be the effort of the individual to find his proper place and function in a diversified social order—an effort to reach the highest potential possible in the struggle of mankind for mastery over nature.—"The Church and Industrial Reconstruction," the Committee on the War and the Religious Outlook (now in press).

### Competitive Trade Inherently Selfish

It must be remembered that all trade is and must be in a sense selfish; trade not being infinite, nay, the trade of a particular place or district being possibly very limited, what one man gains another loses. In the hand-to-hand war of commerce . . . men fight on without much thought of others, except a desire to excel or to defeat them. Very lofty minds, like Sir Philip Sidney with his cup of water, will not stoop to take an advantage, if they think another wants it more. Our age, in spite of high authority to the contrary, is not without its Sir Philip Sidneys; but these are counsels of perfection which it would be silly indeed to make the measure of the rough business of the world as pursued by ordinary men of business.—Lord Chief Justice Coleridge, quoted in "An American Labor Policy" by Julius Henry Cohen, pp. 13, 14.

I know no limits to the right of competition in the defendants—I mean, no limits in law. I am not speaking of morals or good manners. To draw a line between fair and unfair competition, between what is reasonable and unreasonable, passes the power of the courts. Competition exists when two or more persons seek to possess or enjoy the

same thing: it follows that the success of one must be the failure of another—and no principle of law enables us to interfere with or to moderate that success or that failure so long as it is due to mere competition.—Lord Justice Fry quoted in "An American Labor Policy" by Julius Henry Cohen, p. 14.

### Substitutes for the Motive of Self-Interest

In a genuine commonwealth all work should be performed either from a desire to carry out God's work in the world or from a desire to serve the community, or from the joy of creation—or in many cases from all three motives. Indeed for a Christian there must always be some joy in work and some sense of serving the community in any work that is carried out in obedience to God's will.

A great deal of the world's work is already done from one or other of these motives. The missionary goes out to foreign lands because he feels a call from God and finds that his real vocation lies in the mission field. This is true of many social workers and many religious workers at home. . . . So, too, many statesmen and many workers in the field of trade unionism or friendly societies or other cooperative effort put forward their best efforts simply and solely from a desire to serve the community.—John Harvey and others, "Competition—A Study in Human Motive," pp. 148, 149.

### A Frank Confession

It is reported that Marvin Hughitt, when president of the Chicago and Northwestern Railroad, said at a meeting of railroad presidents a few years ago, when there was formulated that bit of railroad ethics known as "The Gentlemen's Agreement": "As individuals I would trust you with my watch, I would accept your word without its being fortified by oath, I would never think of questioning your integrity. But as railroad men I would not trust you with my watch, I would not accept your word under oath, I would not believe you as far as I could see you across the street."—F. Stuart Chapin, in Publications of the American Sociological Society, Vol. XIV, p. 106.

## II. *Is the Motive of Service for the Common Good Adequate for the World's Work?*

### Some Opinions of Scientists

"To attribute," says Kropotkin, "the industrial progress of our century to the war of each against all which it has proclaimed, is to reason like the man who, knowing not the cause of rain, attributes it to the victim he has immolated before his clay idol. For industrial progress, as for each other conquest over nature, mutual aid and close intercourse

certainly are, as they have been, much more advantageous than mutual struggle."—John M. Mecklin, "An Introduction to Social Ethics," p. 393.

The mutual-aid tendency in man has so remote an origin, and is so deeply interwoven with all the past evolution of the human race, that it has been maintained by mankind up to the present time, notwithstanding all the vicissitudes of history. It was chiefly evolved during periods of peace and prosperity; but when even the greatest calamities befell men . . . the same tendency continued to live in the villages and among the poorer classes in the towns; it still kept them together, and in the long run it reacted even upon those ruling, fighting, and devastating minorities which dismissed it as sentimental nonsense. . . . New economical and social institutions, in so far as they were a creation of the masses, new ethical systems and new religions, all have originated from the same source.—Peter Kropotkin, "Mutual Aid," p. 223.

Self-sacrifice, then, is no less primordial than self-preservation. . . . the same superiorities which have enabled the individual to preserve itself better have enabled it better to preserve the individuals derived from it; and each higher species, using its improved faculties primarily for egoistic benefit, has spread in proportion as it has used them secondarily for altruistic benefit.—Herbert Spencer, "The Data of Ethics," p. 240.

## A Task for Educators

At this point the question may reasonably be asked whether it is even conceivable that the motive of service can ever be so strong as to get the work of the world done. . . . But there is reason to believe that similar results as regards energy and efficiency could be reached by appeals to other sides of human nature if these were made constantly from childhood onwards. A motive is strengthened when appeal is made to it, and whereas our present system thus develops the emulative instincts until it seems hopeless to appeal to others, a different system, which put less pressure on men, might give opportunity and stimulus to the development of other motives; some of these would be self-regarding, such as the Joy of Work, which is familiar to all who have freedom to perfect their productions, while some would be altruistic, such as the Joy of Service. With the former Christianity has no quarrel; the latter is of its own substance.—John Harvey and others, "Competition—A Study in Human Motive," p. 24.

## Mr. Hoover Relies on Competition

During the war large measures were taken on both sides of the

front to secure the mobilization of production and distribution to its maximum use in the struggle. . . . The partial success of these measures in war was due to the great patriotic impulse of war. Those who conducted these large operations were men whose initiative and capacity had been selected by the competitive system. These war impulses have been lost, and these organizations with constantly decreasing efficiency now face disaster from and with reduced productivity. . . . Their weakness is the disregard of the normal day-to-day primary impulse of the human animal; that is, self-interest—for himself or for his family and home—with a certain addition of altruism varying with his racial instinct and his degree of intelligence. They fail to take into account, also, that there is but one sufficiently selective agent for human abilities in that infinite specialization of mind and body necessary to maintain the output of the intricate machinery of production, and that is the primary school of competition.—Herbert Hoover in *System*, July, 1920, p. 23.

### When Competition Gives Way to Service

A useful merchant or professional man need not retire from business because he does not need to make more money. His business or his profession is a service which he should continue to render the community, so long as he has health and strength, unless there be some unremunerative position in which he can be more useful. But let him not go on amassing capital. "Lay not up for yourselves treasures upon the earth." Let him, while he lives, invest as much as he can in distinctively Christian undertaking to serve the physical, the mental, and the spiritual needs of men.—Henry Sloane Coffin, "A More Christian Industrial Order," pp. 50, 51.

## III. *What Can the Churches Do to Make Christian Motives Dominant in Industry?*

### Conventional Christianity Considered Lacking

It must be confessed that a careful survey of existing conventional religion—the religion of the average church member—in American society shows it often far from promoting democracy. . . . The vital thing, and the fact to which I refer, is the attitude of the religion taught by the churches toward the rights of the common man and toward the great question of substantial equality of rights and opportunities in society for all men. Is the conventional religion taught by our churches successfully breaking down the barriers of artificial distinction between men, and uniting individuals, classes, nations, and races in bonds of mutual solidarity and good will?—Charles A. Ellwood,

"Religion and Democracy," Publications of the American Sociological Society, Vol. XIV, p. 129.

### A Workman's Complaint

"There are a good many churches in this borough," he said to me one day, "and they are supported generally by the women. The preachers don't have any influence in securing better conditions for the men—they don't try to have. They never visit the mills, and they don't know anything about the conditions the men have to face. They think the men ought to go to church after working twelve hours Saturday night. The preachers could accomplish a lot if they would try to use their influence in the right direction; let them quit temperance reform until they get better conditions for the men. It's no time to preach to a man when he's hungry; feed him first, then preach to him. The same thing with a workingman; get a decent working day with decent conditions; then ask him to stop drinking. Let the preachers go into the mills and see the men at work in the heat, and outside the mills let them notice the men with crushed hands or broken arms or with a leg missing. If they would stop their preaching long enough to look around a little they could do something for us if they wanted to try."—John A. Fitch, "The Steel Workers," p. 17.

### A Question for Christians

For some years church people have eyed with suspicion the business of a distiller or a bartender. They themselves may not have been teetotalers or prohibitionists; but they would not have felt comfortable manufacturing or selling intoxicants, nor did they wish their sons and daughters in this business. Should we not feel similarly towards a number of other callings—towards types of brokerage which do not assist production but help gambling in stock or cotton or real estate, and towards the work of such middlemen as render no essential service in getting goods from producer to consumer?—Henry Sloane Coffin, "A More Christian Industrial Order," pp. 6, 7.

### A New Task for the Church

[A proposal—]

That the Laymen's Committee on Inter-Church Survey urge as many churches as are willing to cooperate (1) to organize and support a pre-manent commission for investigation into, and report upon, near and remote causes and details of any economic class conflicts which may develop in this country; (2) that the commission be instructed to study such conflicts on the ground, not as attempted arbitrators, but as accredited representatives of associated churches, with the aim of, so far as possible,

exhausting all the material facts in the given case, especially those which have any appreciable bearing upon principles of justice; (3) that the associated churches be urged to make provision for the widest circulation of the reports of this committee among the leaders of thought, both ministers and laymen, in their respective bodies; (4) that the commission be charged also with the duty of reporting, from time to time (primarily with reference to their accuracy, their fairness to all the interests concerned, and the competence of their authors to pass the kinds of judgment involved) upon books, pamphlets, and magazine articles which purport to represent Christian principles at issue in economic conflicts; (5) that the commission be instructed to avoid duplication of work already in progress by organizations whose results are of such a character that they may be appropriated by the commission; (6) that the churches associated in this enterprise, and all others that approve of it, be urged to use their influence to secure for the publications of the commission, and the other publications which they recommend, all the attention which they may be found to deserve as materials for the construction of standards of justice which shall apply Christian principles to the special conflicts of ideas about justice which develop under our present form of industrial organization.—Albion W. Small in *American Journal of Sociology*, March, 1919, p. 499.

What the Church should have as ammunition is the facts of why and how such a state of apparently reckless disorganization exists. It must go deeper than effects. It must seek out causes. The symptoms have been known for ages. What the church organizations need is an industrial pathologist, or a doctor of social medicine. This is no job for amateurs, nor for mere humanitarians.

But will the Church see clearly the nature of the fight? Will its leaders interpret the teachings of Christ in terms of this day—setting aside special pleading in favor of scientific exposition? Will it search out the facts and study them, or will it call numberless conferences on the state of society and then decide, on the basis of the weightiest advocacy, to lend its support to this or that opinion and belief?—Mont Schuyler, "The World's Challenge to the Church," *The Dial*, September 6, 1919.

## The Hope of the Future

Not all who speak the word will do the deed, but there is unmistakably an increasing company, in which the younger men and women in our churches and schools are largely represented, who are entering with the spirit of crusaders upon the ethical conquest of modern life. It is upon these that both the burden and the hope of the future rest. No amount of science or research will take the place of a will to realize

an ethical achievement in the world of work. If we speak at times with a note of certainty as to the future it is because we are confident that, however theories may fail and programs prove inadequate, the moral will of humanity may be counted on to bring in the new day.—F. Ernest Johnson, "The New Spirit in Industry," p. 95.

## CHAPTER X

## WHAT CHANGES ARE DEMANDED BY A CHRISTIAN VIEW OF WORK AND WEALTH?

1. In the light of the preceding studies how do you feel about the three following possibilities?

Some say that a Christian industrial order demands a fundamental reconstruction in the present capital-labor organization of industry. Is such a radical change necessary or desirable?

Some say that present inequalities grow out of evils not necessarily inherent in the capital-labor system; that the desired results can be secured by adjustments within the present industrial organization. Is such readjustment necessary, possible, or desirable?

Some say that there is really not anything wrong, but if everybody would cease agitating and go to work all would be well. Is this diagnosis correct?

2. If some radical reconstruction of society or of industry is to take place what is the comparative merit of the following?

*State Socialism*—The ownership and operation of all the means of production and distribution by the state.

*Industrial Socialism*—The ownership and operation of each industry by those engaged in it.

*Guild Socialism*—The ownership of all industries by the state and their control and operation by those engaged in them.

3. If adjustment within the present system is to be sought how do you value the following?

Increased community control.

Profit sharing.

Participation of labor in management.

4. If all the trouble is due to groundless agitation, how can it be stopped?

5. Finally, what view should we, as Christians, take of the whole

problem of the conflict between the parties to industry—capital, management, labor, and the community?

## CURRENT OPINIONS ON THE QUESTIONS AT ISSUE

I. *Which Should We Do—Seek a Substitute for the Present Profit System of Industry, Modify It by Securing "Industrial Democracy," or Decide that Things Had Better Be Left Alone?*

### A Defense of the Present System

Private capital uncovered and developed the resources of the United States. Private capital opened up to settlement and use and prosperity the places that had been wasted and idle. Private capital footed the payrolls of the laborers who built and ran the railroads. Private capital built and operated the factories. It was the private capital of farmers that bought and tended the farms and made them productive. Private capital is the foundation and the superstructure of all American business; and wages are the biggest bills that private capital pays.—*San Antonio Express*, quoted in *Industry* December 15, 1919, p. 3.

### An Ethical Criticism

The most damaging argument against profitism is the moral one, namely, that it fails to appeal to the highest and the best in man. There is no more striking evidence of this fact than the growing distrust of profitism that can be detected in many directions. Men distrusted profitism before the war; when the supreme values of our civilization were jeopardized by that memorable struggle men suddenly awoke to the fact that the selfish motive of profits was a public peril. Distrust of profitism is evinced in the constant efforts that are being made to take from the sphere of profits one vital activity after another. Education, public health, public utilities, scientific research, the press, art, and even politics have at one time or another provided a setting for the eternal struggle of a free people to keep the well-springs of its national life free from the clutches of the profiteer.—John M. Mecklin, "An Introduction to Social Ethics," p. 387.

### The "Plain Man" Counted on to Preserve Private Property

Fortunately, however, the plain man is not a fool. . . . It would not be difficult to make him understand that if the efficiency of production were diminished by ten per cent, this would probably cut deeper into his share than do all the profits of the great capitalists and "captains of industry"; and he would not find it hard to believe that under a communist regime productive efficiency would be impaired by very much more than ten per cent. . . .

He is fully capable of understanding that the chance of success and the danger of failure, the necessity of self-reliance, the splendid returns which stimulate enterprise and reward sagacity or talent—that these things justify the institution of property not only because they make for an increase in the total of our material possessions, but even more because the enjoyment of those possessions is infinitely greater than it could be under a system in which they were rationed out to us by a governmental machine.—"The Defense of Property," *The Review*, January 3, 1920, pp. 3-5.

### The Wage System Condemned

The wage system lays stress on those points in the industrial process where the interests of employers and workpeople run contrary to one another. . . . This defect cannot be overcome by strengthening one party to the contract at the expense of the other or by crushing trade unions or employers' combinations, or even by establishing the principle of collective bargaining. . . . At its best collective bargaining preserves the peace by establishing a precarious balance of power, and whether it works well or ill for the moment it is non-normal and inhumane, for it has no basis in a sense of common service or public duty. —A. E. Zimmerman, "Progress and History."

### The A. F. of L. and Government Ownership

The American Federation of Labor, the only organization able to speak for the workers, is opposed to the government owning all means of production and distribution and is against the state regulating all our industrial relations and activities. It holds that to convert private and individual ownership of property and free and voluntary service into government ownership and compulsory labor is not to create industrial democracy but to establish governmental bureaucracy and state slavery.—Matthew Woll, in Publications of the American Sociological Society, Vol. XIV, p. 54.

### A Threefold Condemnation

There are three charges against the present economic system:

1. It does not deliver the goods.
2. It makes the wrong goods.
3. The goods it does make, it makes with ruinous human and psychological inefficiency.—*The New Age* (London), Feb. 5.

### The Lesser of Two Evils

In my opinion, in spite of the unconfessed fallacies of capitalism, and the unrepented sins of capitalists, you and I and all of us who

want a just democratic reconstruction of society have less to fear at this moment from unregenerate capitalism than we have from hare-brained proletarianism.—Albion W. Small in Publications of the American Sociological Society, Vol. XIV, p. 59.

### The Roots of Radicalism

The civilized world stands in living fear of a thing it calls Bolshevism, yet does not recognize the fact that it was our own civilization that spawned and nourished Bolshevism. The world would stamp it out, or at least set barriers to its spread, so there is talk of destroying it with force. But force will not destroy the thing even though it may suppress it for a time, because injustice backed by force was its father and its mother. It will be useless to set a guard against it at the piers where ships dock, for its seeds are implanted in our own industrial organism. No ring of armed men can stay the diffusion of its subtle poison where injustice makes misery, and misery makes desperation. No ring of armed men is needed where the sunlight of justice acts as a disinfectant.—A. J. Portenar in *Annals of the American Academy*, March, 1919, p. 121.

The fault of the I. W. W. is not primarily with its members, but with our existing social and industrial system. There is something radically wrong, of which the I. W. W. is a symptom. We must try to get an understanding of this, not stop at mere blame of its victims.—Irving Fisher in *Annals of the American Academy*, March, 1919, p. 83.

### The Problem Simplified

The world's want is increased production. All are consumers, a constantly diminishing part are producers. More goods and simpler habits are the only solution of high prices. Strikes, marking up values on paper, raising wages, pulling down the successful and substituting failures, socialism, democratizing industry by hoisting into its management by law those who have never been able to manage themselves or anybody else, government ownership, which is merely an applied form of democratizing industry, so happily demonstrated in railways, and kindred humbugs do nothing but exemplify the folly, avarice, and chronic delusions afflicting mankind as usual.—Lawrence Y. Sherman in the *Railway Review*, December 27, 1919, p. 961.

### Not Less Property, but More Owners

A Christian's main quarrel with the existing economic order is not that some possess large wealth, but that so many possess practically nothing. A big fortune is a perilous trust, but a Christian may be trained

to administer it conscientiously; and we have known men and women of large means who probably made their money do more good for the community than a numerous group of small owners might have done with a similar amount. When, however, a man is without property, it is difficult today to educate him in a Christian sense of obligation. Indeed the Christian appeal seems not as likely to awaken response in the possessionless, as in those who own something. . . . Our reshaping of society will not be directed towards taking wealth away from its possessors, but towards giving those with nothing the chance to call something their own. Property is an enlargement of personality and ownership is a spiritual relation which we crave for every child of God.—Henry Sloane Coffin, "A More Christian Industrial Order," pp. 34, 35.

### Drastic Action Called For

The time has passed for all temporary and makeshift expedients. A kindly spirit in the employer, improved hygienic conditions, rest rooms, better pay, and shorter hours, will not secure equilibrium, though the spirit of good will they tend to evoke may make further struggle less bitter. Profit-sharing furnishes no permanent resting place. It is merely a camping place on the journey.—S. G. Bland, "The New Christianity," p. 24.

### The Plight of Capital

If we are to avoid and withstand the wholesale socialization of the railway, light, heat, power, and traction enterprises of the country, conditions must be restored which will attract private capital freely, normally, and adequately, under proper safeguards and guarantees, again into this important field. Investors and the general public may well grasp the situation and join hands in dealing with it. The insidious campaign which has made private capital unwilling to risk further outlays in the railway and public utility field has had consciously for its objective the compelling of resort to governmental funds instead, and the clubbing of the present owners into willingness to sell outright on a bargain basis.—William L. Ransom in *Proceedings of the Academy of Political Science,* January, 1920, pp. 136, 137.

"If present conditions continue," he said, "I fear that we will have plenty of labor and plenty of management, but that capital will disappear and will be forced to strike for lack of protection." . . . Mr. Bache said that in "the good old days" there were 300,000 to 400,000 investors who could be counted on to rededicate to the development of their country the surplus over their annual incomes, but these had disappeared.—*N. Y. Times,* June 30, 1920.

### A Moral Question

Lord Hugh Cecil, in his interesting little book on Conservatism, declares that whether private property is mischievous or not, society cannot interfere with it, because to interfere with it is theft, and theft is wicked.—R. H. Tawney, "The Sickness of an Acquisitive Society," p. 14.

### A New Testament Example

Now there was but one heart and soul among the multitude of the believers; not one of them considered anything his personal property, they shared all they had with one another. There was not a needy person among them, for those who owned land or houses would sell them and bring the proceeds of the sale, laying the money before the feet of the apostles; it was then distributed according to each individual's need. —Acts 4:32-35 (Translation by Moffatt).

### Opposing Views of State Control

The proposition now being made to Congress is that the Government shall take the railroads from those who have conceived them, built them, and operated them, giving in payment government bonds.

The control of the railroads shall then be turned over to the Government bureaucrats and the railroad workers, the latter a class that could have bought them long ago if they had saved $0.25 a day per man for this purpose, the former a class that has recently spent millions for each airplane produced, millions for each gun produced, millions for each ship produced. These two classes, notoriously incompetent as to administration, are then to raise rates in order to maintain high wages and if rates, an indirect tax levied on all of us, do not produce the income wanted, then the deficiency is to be made up by appropriation, the tax levy being increased to make up the loss. Probably the capitalists to be bought out by the Government are to be taxed to the extent of sequestering capital in order to secure money to raise wages.—Harrington Emerson, "Human Parasitism or Service," *Industrial Management*, April, 1919, p. 262.

During Federal control the Government paid a total rental to the railroad corporations of $1,956,831,157. Of this all but $677,513,152 was earned over and above operating expenses. In other words, the Railroad Administration not only met the cost of operating the railroads but actually earned 3.9 per cent, assuming that the guaranteed rental represented 6 per cent on the going worth of the railroads. This is very little, in fact only one-tenth of one per cent, less than what has usually

been considered an adequate return on first-class government securities such as Liberty Bonds.—O. S. Beyer, Jr., in *Socialist Review,* June, 1920.

### Finds Solution in Profit-Sharing

An industrial democracy of the most ideal sort is found in true profit-sharing: an industrial democracy that makes real partners of capital and labor, and yet preserves the right of private property; that preserves and promotes the great business asset that comes from individual initiative; that retains the capitalist's incentive to enterprise, while giving the worker a new inspiration for effort that humanizes large organizations of men; that promotes good will and industrial peace.—George W. Perkins, "Profit-Sharing, or the Workers' Fair Share."

### What Labor Wants

We are misleading ourselves if we think for a moment we can purchase loyalty by introducing welfare work. . . . Only recently several hundred employes of a large plant in New Jersey suspended work when the company refused to grant an increase in wages. The officials of the company pointed to their pension fund, sick benefit association, and many other attractions, but the workers merely said these were abstract things, what they wanted was more money, not welfare work.

A government investigator on welfare work recently said: "Union labor has steadfastly opposed employers' welfare work, holding that its aim and tendency is to shackle labor with gratitude and diminish its freedom in the bargaining process."—Charles E. Fouhy, "Welfare Work and Industrial Stability," *Industrial Management,* November, 1919, p. 413.

What is a bonus? If deferred wages, why deferred? If a tip do you want it?—*The Retail Clerks International Advocate,* March, 1920, p. 9.

. . . Outside of organized labor a great deal of the working sympathy [with profit-sharing] is secured because the employes are convinced that the employer's interests are in some real sense at one with labor interests. So far as they believe this they are for the time, at least, content with this modest partnership. But with the unions and their unorganized sympathizers the doubt of employers' motives and methods is a lion in the way.—John Graham, "Labor's Challenge to the Social Order," p. 349.

### How to Avoid Revolution

In international relations the choice is between two alternatives—competition and drift, or cooperation and control. In industrial relations the leadership is confined to a choice between the same alternatives.

Political statesmanship must choose between international association and international anarchy. Industrial statesmanship must choose between a fundamental reorganization of industrial relations upon a more democratic basis on the one hand, and an intensified class struggle on the other, with revolution as a probability to be reckoned with. The former means for society economy and conservative progress. The latter means costly, radical excess.—Glenn Frank, "The Politics of Industry," p. 100.

Whether and to what extent the inevitable social revolution that is upon us can be made to take place peaceably, and by due process of law, without disastrous dislocation and temporary social chaos, will depend, principally, upon the spirit and temper and tone by which it is inspired and managed.—"The Employer of Tomorrow," *The New Statesman,* Oct. 18, 1919, pp. 53, 54.

### "All Is Well"

There is no conflict between capital and labor. Each is dependent upon the other. Both recognize this fact. The almost innumerable troubles which have resulted in strikes and often riots and bloodshed during the last year or longer have been between employers and labor union leaders, who have not represented or been requested to represent the great majority of workmen. . . .

While I recognize, and for many months have comprehended, dangers in the general situation, I am more optimistic in regard to the future of this country than I have been at any time before during the last six years. If people generally will recognize the possible dangers which have been hinted at and will, each for himself or herself, do everything possible and practicable to improve conditions, we shall soon return to a basis of living which should be entirely satisfactory.—Judge Elbert H. Gary, *The Evening Post,* July 23, 1920.

## II. *If You Believe that the Existing System Should Be Modified or Reconstructed, What Would You Recommend?*

### What Socialism Is

Stated in more concrete terms, the Socialist program requires the public or collective ownership and operation of the principal instruments and agencies for the production and distribution of wealth—the land, mines, railroads, steamboats, telegraph and telephone lines, mills, factories, and modern machinery.

This is the main program and the ultimate aim of the whole Socialist movement and the political creed of all Socialists. It is the unfail-

ing test of Socialist adherence, and admits of no limitation, extension, or variation. Whoever accepts this program is a Socialist, whoever does not, is not.—Morris Hillquit, "Socialism Summed Up," p. 25.

Here enters Socialism. It proposes to abolish the division of industrial society into two classes and to close the fatal chasm which has separated the employing class from the working class since the introduction of power machinery. It proposes to restore the independence of the workingman by making him once more the owner of his tools and to give him the full proceeds of his production instead of a wage determined by his poverty. It has no idea of reverting to the simple methods of the old handicrafts, but heartily accepts the power machinery, the great factory, the division of labor, the organization of the men in great regiments of workers as established facts in modern life, and as the most efficient method of producing wealth. But it proposes to give to the whole body of workers the ownership of these vast instruments of production and to distribute among them all the entire proceeds of their common labor. There would then be no capitalistic class opposed to the working class; there would be a single class which would unite the qualities of both. Every workman would be both owner and worker, just as a farmer is who tills his own farm, or a housewife who works in her own kitchen.—Walter Rauschenbusch, "Christianity and the Social Crisis," pp. 407, 408.

### State Socialism Feared by Industrial Socialists

Government ownership can never lead to Socialism. It is not a step toward Socialism. It has nothing socialistic about it, because all political government is administration from the top. At the present time the employes of the United States Post Office are treated worse than many employes of private capitalists. The railway mail clerks are less protected and work for less wages than most of the other trainmen. Wherever the capitalists are being driven by the Socialist Movement they are crying out for "government ownership" to save them. The railroad thieves in the United States will soon want for nothing so much as to turn over their watered stocks to the National Government. They would then draw their profits as interest on government bonds. No profits in the world could be safer. The Government would then have to rob the railroad workers and turn over the stolen money to the idle government railroad bondholders.—William D. Haywood and Frank Bohn, "Industrial Socialism," pp. 50, 51.

### Demand that the State Be Discarded

Under Socialism the government of the nation will be an industrial government, a shop government. The political government of today,

composed of president, congress and the courts, with the governments of the various states, is purely a class government. It is the government of the property holding classes. Its purpose is to protect private property and keep the workers, who have no property, in subjection. Its most important laws are laws of oppression. Its most important buildings are courthouses and prisons. Its most important servants are policemen, detectives, and soldiers.—William D. Haywood and Frank Bohn, "Industrial Socialism," p. 49.

The Marxian Industrial Unionists contend that the State is, by origin and function alike, the protector of property and the inveterate and unrelenting enemy of the dispossessed classes. They hold, not merely that the State of today expresses the ideas and desires of the dominant economic class, but that "the State" only came into existence at all with the rise of that class and for its protection, and that, with the passing of that class, the State itself will pass away. The Commonwealth of the future, they hold, will have its administrative machinery, but this machinery will be not "a democratized State," but an economic organization representing the working class, and based upon the industrial grouping of the working class.—G. D. H. Cole, "Labor in the Commonwealth," p. 179.

### What Has Happened in Russia

It is always easier to understand an actual thing than a theory, and the history of Russia during the period since the first Revolution of 1917, enables us to see in action the theories of the Marxian Industrial Unionists. The first Revolution resulted in a partly democratized, or at least in a constitutional, State. The theory behind the calling of the Constituent Assembly was that it would result in a completely democratized State. The Bolsheviks, however, regarded the Constituent Assembly as a sham, because they did not believe in a democratized "State" as the basis of the new Russian Commonwealth. Their watchword was "All power for the Soviets," or, in other words, the substitution for the State of a social organization based upon the economic grouping of the working class. The theory behind the Bolshevik regime in Russia, at least in the minds of those who desire permanence, is essentially the same as the theory of Marxian Industrial Unionism all the world over. It is based upon the economic interpretation of history, and upon the view that, as the State is the political expression of the Capitalist System, so the Soviet regime is the expression of Socialism.—G. D. H. Cole, "Labor in the Commonwealth," pp. 179, 180.

There is no doubt that the present government, officially known as the Russian Socialist Federated Soviet Republic, has established a form

of government which is quite out of harmony with prevailing ideals of political democracy. Instead of delegates representing territories without class cleavages, the Russian soviets, graduated all the way from the local to the national body, are composed of representatives chosen by the various industrial establishments and peasant communities. Lenin once said that the difference between Russia and America in this respect is that in America industry is clandestinely represented in politics, but that in Russia it is represented openly and by design.—F. Ernest Johnson, "The New Spirit in Industry," p. 76.

### The Creed of the I. W. W.

The Industrial Workers of the World (I. W. W.) represent syndicalism in its pure form in the United States. They were "bolshevists" before the Bolsheviki appeared. The I. W. W. adhere to industrial labor organization as against craft organization, because they aim at class consciousness and class movement. Working class unity is not furthered, they believe, by organization on a craft basis, in which groups that should be allied are severed by jurisdictional disputes. They also hold that political action is a hindrance rather than an aid to their industrial ends. The strike is their chief weapon and the general strike is their ultimate aim. They object not only to the political method, but to the ideals of a political state.—F. Ernest Johnson, "The New Spirit in Industry," pp. 80, 81.

### Socialist Philosophy

The Marxian philosophy of history underlies all strictly working class programs. It is known as economic determinism, and is susceptible of both moderate and extreme statement. It has modified the thinking of many economists, who nevertheless repudiate it as an exclusive principle for interpreting events. Obviously, in bold statement, the doctrine is materialistic and explains ideals as mere reflexes. It has ardent devotees, who do not hesitate to explain the most sentimental romance by reference to some "economic determinant." Party socialism has suffered much at this point from the over-statement of a very important principle. The events of the last five years have rudely shaken socialism out of its dogmatic slumbers.—F. Ernest Johnson, "The New Spirit in Industry," p. 79.

### Guild Socialism

A more typically English development has been a movement which is beginning to be known as Guild Socialism, and which combines State Socialism with a more democratic method of organizing state industries. The State is to be the ultimate owner of all the means and instruments

of production, but each group of producers is to be responsible for the actual working of its own industry. The State has to be supreme owner, otherwise one powerful group, such as the miners, might be able to exploit its monopoly position. But within these limits each group of producers is to form a cooperative society, managing its own business on a thoroughly democratic basis. The greatest possible amount of initiative is to be given to each group of workers, and in the framing of decisions each group is to make its own contribution, thus enabling each man to feel that upon himself as a member of his group rests the success or failure of the business.—John Harvey and others, "Competition—A Study in Human Motive," pp. 144, 145.

The National Guildsman believes that industry ought to be controlled by the workers engaged in it; but he believes also that the State ought to own industry, and that popular control must be established over the machinery of the State. . . . I can only say that Guildsmen believe that it is impossible to have a really democratic political system while the economic system remains undemocratic, and continues to be based on the denial of the Humanity of Labor. And, on the other hand, the democratization of the industrial system will make possible a parallel democratization of the political machine. The way to political and individual as well as to industrial freedom lies in the control of industry, and it is for this reason that the industrial problem occupies its paramount position among social questions. The Guild system, I believe, furnishes the best possible solution of the social problem, because it carries with it the best reconciliation for our time of the principles of freedom and order—principles apparently in conflict, which must be reconciled in any system which is to satisfy our moral striving after personal freedom and cooperation one with another.—G. D. H. Cole in *The Living Age*, July 26, 1919, p. 217.

## The Christian Hope for Industry

Is it too much to believe that, having witnessed Humanity pass through its Gethsemane, having seen its agony in the Garden of Fears, having beheld its crucifixion upon the cross of Militarism, Labor and Capital will yet bring to a disconsolate and brokenhearted world the one hope it is theirs alone to bring; and that, in the acceptance of principles which hold deliverance from the scourges that beset Mankind, they will roll back the stone from the door of the world's sepulchre today, and give to Humanity the promise of its resurrection to a more abundant life?—W. L. Mackenzie King, "Industry and Humanity," pp. 528, 529.

## SUGGESTED DEVOTIONAL MATERIAL

### I

*Scripture*

Behold, my servant, whom I uphold; my chosen, in whom my soul delighteth: I have put my Spirit upon him; he will bring forth justice to the Gentiles. He will not cry, nor lift up his voice, nor cause it to be heard in the street. A bruised reed will he not break, and a dimly burning wick will he not quench: he will bring forth justice in truth. He will not fail nor be discouraged, till he have set justice in the earth; and the isles shall wait for his law.—Isa. 42: 1-4.

*Prayer*

O God, our Father, Thou art speaking to us in so many ways, and we are so dull we do not even hear Thee. Out of the depths do men cry unto Thee for help and how canst Thou help them, save as thy children hear their cry and answer it?

Thou art calling to us out of the needs of Thy people everywhere. Teach us to listen for Thy voice speaking to us in our hearts. And when Thou dost ask us to help Thee, O may we not refuse.

We ask it in Jesus' name. Amen.[1]

### II

*Scripture*

Ho, every one that thirsteth, come ye to the waters, and he that hath no money; come ye, buy, and eat; yea, come, buy wine and milk without money and without price. Wherefore do ye spend money for that which is not bread? and your labor for that which satisfieth not? hearken diligently unto me, and eat ye that which is good, and let your soul delight itself in fatness. . . .

Seek ye Jehovah while he may be found; call ye upon him while he is near; let the wicked forsake his way, and the unrighteous man his thoughts; and let him return unto Jehovah, and he will have mercy upon him; and to our God, for he will abundantly pardon.—Isa. 55: 1-7.

*Prayer*

Our Heavenly Father, without whose help labor is useless, without whose light search is vain, invigorate our studies and direct our inquiries, that by due diligence and right discernment, we may establish

[1] From Hartshorne's "Manual of Training in Worship." Copyright, 1915, by Charles Scribner's Sons. Used by permission.

ourselves and others in thy holy faith. Let us not linger in ignorance, but enlighten and support us.

Open wide the window of our spirits, and fill us full of light; open wide the door of our hearts, that we may receive and entertain Thee with all our powers of adoration and love. Amen.

## III

*Scripture*

I will lift up mine eyes unto the mountains:
From whence shall my help come?
My help cometh from Jehovah,
Who made heaven and earth.
He will not suffer thy foot to be moved:
He that keepeth thee will not slumber.
Behold, he that keepeth Israel
Will neither slumber nor sleep.
Jehovah is thy keeper:
Jehovah is thy shade upon thy right hand.—Psalm 121: 1-5.

*Prayer*

Father, we bring to Thee our hopes, asking that Thou wilt purify them. Cleanse us from all unworthy desires. Inspire us by the vision of things worth doing and worth being.

Each day brings to us its work and play, its opportunities to be generous or mean, kind or thoughtless, rude or courteous, selfish or helpful. Help us to put away from us the unmanly and cowardly things and to brace ourselves to make for what is good and just and pure, knowing that with Thy help we shall succeed.

We ask it for Thy Kingdom's sake. Amen.[2]

## IV

*Scripture*

Give the king thy judgments, O God,
And thy righteousness unto the king's son.
He will judge thy people with righteousness,
And thy poor with justice.
The mountains shall bring peace to the people,
And the hills, in righteousness.
He will judge the poor of the people,
He will save the children of the needy,
And will break in pieces the oppressor.
They shall fear thee while the sun endureth,

[2] From Hartshorne's "Manual for Training in Worship." Copyright, 1915, by Charles Scribner's Sons. Used by permission.

And so long as the moon, throughout all generations.
He will come down like rain upon the mown grass,
And showers that water the earth.
In his days shall the righteous flourish,
And abundance of peace, till the moon be no more.
He shall have dominion also from sea to sea,
And from the River unto the ends of the earth. . . .
Yea, all kings shall fall down before him;
All nations shall serve him.
For he will deliver the needy when he crieth,
And the poor, that hath no helper.
He will have pity on the poor and needy,
And the souls of the needy he will save.
He will redeem their soul from oppression and violence;
And precious will be their blood in his sight.—Psalm 72: 1-14.

*Prayer*

O God of purity and peace, God of light and freedom, God of comfort and joy; we thank Thee for our country, this great land of hope, whose wide doors Thou hast opened to so many that struggle with hardship and with hunger in the crowded Old World.

We give thanks to the power that has made and preserved us a nation, and has given us a place of honor and power that we might bear aloft the standard of universal liberty and impartial law.

May our altars and our schools ever stand as foundations of welfare; may the broad land be filled with homes of intelligent and contented industry, that through the long generations our land may be a happy land and our country a power of good will among the nations. Amen.

## V

*Scripture*

Jehovah, who shall sojourn in thy tabernacle?
Who shall dwell in thy holy hill?
He that walketh uprightly, and worketh righteousness,
And speaketh truth in his heart;
He that slandereth not with his tongue,
Nor doeth evil to his friend,
Nor taketh up a reproach against his neighbor;
In whose eyes a reprobate is despised,
But who honoreth them that fear Jehovah;
He that sweareth to his own hurt, and changeth not;
He that putteth not out his money to interest,
Nor taketh reward against the innocent.
He that doeth these things shall never be moved.—Psalm 15.

*Prayer*

O God, our Father, even today it is often hard for people to hold fast to Thee. Many of our friends, who are trying to do right and to deal fairly with other people, find it hard to be honorable and just in every little thing when others are winning fame and wealth by deeds of dishonor and oppression and injustice. Only Thou knowest the terrible temptations which come to those who possess power over men, power in money, in politics, in business. We pray, our Father, that Thou wilt strengthen these men. Help them to keep before their eyes the vision of an honorable success, and may no alluring lust or selfish ambition, nor any fear of failure, crowd out the high resolves which they have made.

And Thou hast given power also even to the youngest and smallest of us. We all can be of help in some way, and we all are learning to be more useful every day. Often we are tempted to please ourselves instead of doing some little irksome duty which will be of help to someone else. Keep us faithful, O Father. May the peevish and thoughtless words be checked. May our whole desire be to make all around us happy.

And so, as each does his part, shall justice roll down like waters and righteousness as a mighty stream. Amen.[3]

## VI

*Scripture*

Blessed are those who feel poor in spirit!
the Realm of heaven is theirs.
Blessed are the mourners!
they will be consoled.
Blessed are the humble!
they will inherit the earth.
Blessed are those who hunger and thirst for goodness!
they will be satisfied.
Blessed are the merciful!
they will find mercy.
Blessed are the pure in heart!
they will see God.
Blessed are the peacemakers!
they will be ranked sons of God.
Blessed are those who have been persecuted for the sake of goodness!
the Realm of heaven is theirs.

Blessed are you when men denounce you and persecute you and utter

[3] From Hartshorne's "Manual for Training in Worship." Copyright, 1915, by Charles Scribner's Sons. Used by permission.

all manner of evil against you for my sake; rejoice and exult in it, for your reward is rich in heaven; that is how they persecuted the prophets before you.

You are the salt of the earth. But if salt becomes insipid, what can make it salt again? After that it is fit for nothing, fit only to be thrown outside and trodden by the feet of men.

You are the light of the world. A town on the top of a hill cannot be hidden. Nor do men light a lamp to put it under a bowl; they put it on a stand and it shines for all in the house. So your light is to shine before men, that they may see the good you do and glorify your Father in heaven.—Matt. 5:3-16 (Translation by Moffatt).

*Prayer*

Our Father, we thank Thee that Thou art very close to us. We thank Thee that Thou art our Friend. Our thoughts have found fellowship with Thee in the city where Thou dwellest, and we have learned that the city where Thou dwellest is our home.

Grant, O Father, Thou whose almighty love ruleth evermore, grant that all our selfish deeds may cease. May sorrow and sin and suffering flee away, and Thy Kingdom of Peace and Good Will be established in the earth. Amen.[4]

## VII

*Scripture*

And if I bestow all my goods to feed the poor, and if I give my body to be burned, but have not love, it profiteth me nothing. Love suffereth long and is kind; love envieth not; love vaunteth not itself, is not puffed up, doth not behave itself unseemly, seeketh not its own, is not provoked, taketh not account of evil; rejoiceth not in unrighteousness, but rejoiceth with the truth; beareth all things, believeth all things, hopeth all things, endureth all things. . . . But now abideth faith, hope, love, these three; and the greatest of these is love.—I. Cor. 13:3-7, 13.

*Prayer*

Our Father, we thank thee for all the friendly folk who have come into our life this day, gladdening us by their human kindness, and we send them now our parting thoughts of love through Thee. We bless Thee that we are set amidst this rich brotherhood of kindred life with its mysterious power to quicken and uplift. Make us eager to pay the due price for what we get by putting forth our own life in wholesome good will and by bearing cheerily the troubles that go with all joys. Above

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all we thank Thee for those who share our higher life, the comrades of our better self, in whose companionship we break the mystic bread of life and feel the glow of Thy wonderful presence. Into Thy keeping we commit our friends, and pray that we may never lose their love by losing Thee. Amen.[5]

## VIII

*Scripture*

Let your love be a real thing, with a loathing for evil and a bent for what is good. Put affection into your love for the brotherhood; be forward to honor one another; never let your zeal flag; maintain the spiritual glow; serve the Lord; let your hope be a joy to you; be stedfast in trouble, attend to prayer, contribute to needy saints, make a practice of hospitality. Bless those who make a practice of persecuting you; bless them instead of cursing them. Rejoice with those who rejoice, and weep with those who weep. Keep in harmony with one another; instead of being ambitious, associate with humble folk; never be self-conceited. Never pay back evil for evil to anyone; aim to be above reproach in the eyes of all; be at peace with all men, if possible, so far as that depends on you. Never revenge yourselves, beloved, but let the Wrath of God have its way; for it is written, Vengeance is mine, I will exact a requital—the Lord has said it. No,

if your enemy is hungry, feed him,
if he is thirsty, give him drink;
for in this way you will make him
feel a burning sense of shame.

Do not let evil get the better of you; get the better of evil by doing good.—Rom. 12:9-21 (Translation by Moffatt).

*Prayer*

O God, Thou mightiest worker of the universe, source of all strength and author of all unity, we pray Thee for our brothers, the industrial workers of the nation. As their work binds them together in common toil and danger, may their hearts be knit together in a strong sense of their common interests and destiny. Help them to realize that the injury of one is the concern of all, and that the welfare of all must be the aim of every one. If any of them is tempted to sell the birthright of his class for a mess of pottage for himself, give him a wider outlook and a nobler sympathy with his fellows. Teach them to keep step in a steady onward march, in their own way to fulfil the law of Christ by bearing the common burdens.

And may the upward climb of labor, its defeats and its victories,

[5] Walter Rauschenbusch, "For God and the People: Prayers of the Social Awakening."

in the farther reaches bless all classes of our nation, and build up for the republic of the future a great body of workers, strong of limb, clear of mind, fair in temper, eager to labor, conscious of their worth, and striving together for the final brotherhood of all men. Amen.[6]

## IX

*Scripture*

Ye have heard that it was said, An eye for an eye, and a tooth for a tooth: but I say unto you, Resist not him that is evil: but whosoever smiteth thee on thy right cheek, turn to him the other also. And if any man would go to law with thee, and take away thy coat, let him have thy cloak also. And whosoever shall compel thee to go one mile, go with him two. Give to him that asketh thee, and from him that would borrow of thee turn not thou away.

Ye have heard that it was said, Thou shalt love thy neighbor, and hate thine enemy: but I say unto you, Love your enemies, and pray for them that persecute you; that ye may be sons of your Father who is in heaven: for he maketh his sun to rise on the evil and the good, and sendeth rain on the just and the unjust. For if ye love them that love you, what reward have ye? do not even the publicans the same? And if ye salute your brethren only, what do ye more than others? do not even the Gentiles the same? Ye therefore shall be perfect, as your heavenly Father is perfect.—Matt. 5:38-48.

*Prayer*

Father in Heaven, forgive us that we are so ready to quarrel. Forgive us for the unfriendly words that have escaped our lips and burned into the hearts of our friends. Our angry and spiteful thoughts go jarring and jangling through the courts of heaven, and we are ashamed.

Make us lovers of peace and concord. So fill our hearts with kindness and good will that there will be no room in our lives for envy or scorn or hate.

Bring peace speedily, O God, to our suffering world. May men everywhere come to the knowledge of Thy love, that they may overcome hatred and prejudice, and make real on earth Thy Kingdom of Righteousness and Peace.

All this we ask in the name of Jesus our Master. Amen.[7]

## X

*Scripture*

And I saw a new heaven and a new earth: for the first heaven and

[6] Walter Rauschenbusch, "For God and the People: Prayers of the Social Awakening."

[7] From Hartshorne's "Manual for Training in Worship." Copyright, 1915, by Charles Scribner's Sons. Used by permission.

the first earth are passed away; and the sea is no more. And I saw the holy city, new Jerusalem, coming down out of heaven from God, made ready as a bride adorned for her husband. And I heard a great voice out of the throne saying, Behold, the tabernacle of God is with men, and he shall dwell with them, and they shall be his peoples, and God himself shall be with them, and be their God: and he shall wipe away every tear from their eyes; and death shall be no more; neither shall there be mourning, nor crying, nor pain, any more: the first things are passed away. And he that sitteth on the throne said, Behold, I make all things new.—Rev. 21: 1-5.

*Prayer*

O Thou who art the confidence of all the ends of the earth, we thank Thee for the power of faith by which Thou art transforming the world. Forgive us our mistrust. Forgive us if we have prevented any one from being all he should be because we failed to trust him enough. Thou dost trust us in spite of all our failures; and we know that we couldn't be half what we are if it weren't that our fathers and mothers and friends believe in us and expect us to do our best.

Help us to have faith in every one of Thy children, just as we want them to have faith in us. And so, by the power of the faith which Jesus had in his disciples, by the power of the faith which thou dost have in Thy wayward children, by the power of the faith which we have in one another, may the days of peace and good will be established in the earth.

We ask it in the name of him who trusted even those who slew him. Amen.[8]

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